

THIRD DAY
(Friday, July 15, 1977)

The Senate met at 8:30 o'clock a.m., pursuant to adjournment, and was called to order by the President.

The roll was called and the following Senators were present: Adams, Aikin, Andujar, Braecklein, Brooks, Clower, Creighton, Doggett, Farabee, Hance, Harris, Jones of Harris, Jones of Taylor, Kothmann, Lombardino, Longoria, Mauzy, McKnight, Meier, Mengden, Moore, Ogg, Parker, Patman, Schwartz, Sherman, Snelson, Traeger, Truan, Williams.

A quorum was announced present.

The Reverend Carl Schoss, St. Martin's Lutheran Church, Austin, Texas, offered the invocation as follows:

Almighty God, heavenly Father, giver of all that is good, without whose help all labor is ineffectual and without whose grace all wisdom is folly, we come before You with a deep sense of the responsibility of the work before this body. We beseech You, give them the wisdom and strength, the powers and abilities, the earnestness and consecration they need, so that their guidance and decisions will redound to the temporal and eternal welfare of all in this State. Amen.

On motion of Senator Aikin and by unanimous consent, the reading of the Journal of the proceedings of yesterday was dispensed with and the Journal was approved.

LEAVE OF ABSENCE

Senator Santiesteban was granted leave of absence for today on account of important business on motion of Senator Snelson.

MESSAGE FROM THE HOUSE

House Chamber
July 15, 1977

Honorable William P. Hobby
President of the Senate

Sir: I am directed by the House to inform the Senate that the House has passed the following:

C.S.S.B. 1, as substituted, with amendments. Relating to public school education; amending various provisions of the Texas Education Code, as amended, as follows: amending Section 16.056, relating to salaries of school personnel; amending Section 16.151, relating to the operating cost allotment to school districts; amending Section 16.206(c), (g), (h), and (i), relating to the allotment to school districts for transportation services; amending Section 16.102, relating to the personnel unit allotments; amending Section 16.103(f), relating to vocational personnel; amending Sections 16.104, 11.052, and 11.10(o), (q), (s), and (t) and adding Section 11.103, relating to special education for handicapped children; amending Section 16.252, relating to each school district's share of the Foundation

School Program cost; amending Sections 16.251(b) and 16.254(a) and (d), relating to minimum Foundation School Program costs; amending Subchapter H, Chapter 16, relating to equalization aid for program enrichment; amending Section 20.03 and adding Sections 20.52 and 20.53, relating to school property taxes; amending Sections 11.32 and 11.33, relating to regional service centers; adding Section 11.36, relating to the assessment of student performance; adding Subchapter D to Chapter 20, relating to school appraisal and tax assessment practices; adding Section 20.54, relating to the authority of school districts to charge fees; amending Sections 12.14, 12.15, and 12.18(e) and adding Subsections (c) and (d) to Section 12.01, relating to textbooks; amending and renumbering Sections 21.911, relating to educational television; repealing Sections 16.256, 16.207(d) and 16.212; and making appropriations.

Respectfully submitted,
BETTY MURRAY, Chief Clerk
House of Representatives

REPORT OF STANDING COMMITTEE

Senator Aikin submitted the following report for the Committee on Finance:

C.S.S.B. 6 (Read first time)

COMMITTEE SUBSTITUTE SENATE BILL 6 ORDERED NOT PRINTED

On motion of Senator Aikin and by unanimous consent, **C.S.S.B. 6** was ordered not printed.

COMMITTEE SUBSTITUTE SENATE BILL 6 ON SECOND READING

On motion of Senator Aikin and by unanimous consent, all necessary Senate rules were suspended to take up for consideration at this time on its second reading and passage to engrossment:

C.S.S.B. 6, Relating to the compensation of the president of West Texas State University.

The bill was read second time and was passed to engrossment.

COMMITTEE SUBSTITUTE SENATE BILL 6 ON THIRD READING

Senator Aikin moved that the Constitutional Rule and Senate Rule 68 requiring bills to be read on three several days be suspended and that **C.S.S.B. 6** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 25, Nays 0, Present-Not voting 1.

Present-Not voting: Sherman.

Absent: Jones of Harris, Longoria, Schwartz, Traeger.

Absent-excused: Santiesteban.

The President then laid the bill before the Senate on its third reading and final passage.

The bill was read third time and was passed by the following vote: Yeas 25, Nays 0, Present-Not voting 1.

Present-Not voting: Sherman.

Absent: Jones of Harris, Longoria, Schwartz, Traeger.

Absent-excused: Santiesteban.

RESOLUTIONS SIGNED

The President announced the signing in the presence of the Senate after the caption had been read, the following enrolled resolutions:

H.C.R. 5

H.C.R. 6

H.C.R. 7

H.C.R. 9

HOUSE CONCURRENT RESOLUTION 10 ON SECOND READING

The President laid before the Senate the following resolution:

H.C.R. 10, Congratulating George W. Burnup.

The resolution was read.

On motion of Senator Aikin and by unanimous consent, the resolution was considered immediately and was adopted.

SENATE CONCURRENT RESOLUTION 8

Senator Meier offered the following resolution:

BE IT RESOLVED by the Senate of the State of Texas, the House of Representatives concurring, that H.C.R. No. 2 be amended by striking Rule 6 in Section 4 and substituting the following:

"Rule 6. CAMERAS. The presiding officer shall exclude all cameras and photographic equipment if it is determined that the health or safety of a particular witness is placed in jeopardy as a result of the use of said equipment. Cameras and photographic equipment may also be excluded by the presiding officer to preserve security and decorum."

The resolution was read.

On motion of Senator Meier and by unanimous consent, the resolution was considered immediately and was adopted.

HOUSE AMENDMENTS TO SENATE BILL 1 REFERRED

In accordance with provisions of Senate Rule 77, the President referred the House amendments to **S.B. 1** to the Committee of the Whole Senate.

COMMITTEE OF THE WHOLE SENATE

On motion of Senator Aikin and by unanimous consent, the Senate at 9:00 o'clock a.m. resolved itself into a Committee of the Whole Senate and proceeded to the House of Representatives for a Joint Session in accordance with provisions of **H.C.R. 2** and **S.C.R. 1**.

IN LEGISLATIVE SESSION

The President called the Senate to order at 10:36 o'clock a.m. as In Legislative Session.

COMMITTEE OF THE WHOLE SENATE

On motion of Senator Mauzy and by unanimous consent, the Senate agreed to resolve itself into the Committee of the Whole Senate to consider the House amendments to **S.B. 1**.

The President appointed Senator Mauzy to serve as Chairman of the Committee of the Whole Senate.

AT EASE

The President called the Senate to order at 10:39 o'clock a.m. and announced the Senate would Stand At Ease until 11:00 o'clock a.m. today.

IN LEGISLATIVE SESSION

The President called the Senate to order at 11:00 o'clock a.m. as In Legislative Session.

AT EASE

The President announced at 11:02 o'clock a.m. that the Senate would Stand At Ease until the conclusion of the address proceedings pursuant to **H.C.R. 2** and **S.C.R. 1**.

COMMITTEE OF THE WHOLE SENATE

On motion of Senator Aikin and by unanimous consent, the Senate at 11:36 o'clock a.m. agreed to resolve itself into a Committee of the Whole Senate and convene in the House of Representatives for a Joint Session in accordance with provisions of **H.C.R. 2** and **S.C.R. 1**.

(Complete text of address proceeding printed as Appendix to the Senate Journal for the 65th Legislature, First Called Session.)

IN LEGISLATIVE SESSION

The Senate met at 2:00 o'clock p.m. and was called to order as In Legislative Session by Senator Mauzy.

REPORT OF STANDING COMMITTEE

By unanimous consent, Senator Brooks submitted the following report for the Committee on Human Resources:

S.C.R. 7

S.C.R. 6

COMMITTEE OF THE WHOLE SENATE

On motion of Senator Aikin and by unanimous consent, the Senate agreed to resolve itself into a Committee of the Whole Senate to consider House amendments to S.B. 1 and designated Senator Mauzy as Chairman of the Committee of the Whole Senate.

IN LEGISLATIVE SESSION

The Senate met at 3:10 o'clock p.m. and was called to order as In Legislative Session by the President.

RESOLUTIONS SIGNED

The President announced the signing in the presence of the Senate after the caption had been read, the following enrolled resolutions:

H.C.R. 10

H.C.R. 12

MESSAGE FROM THE GOVERNOR

The following Message from the Governor was read and was filed with the Secretary of the Senate.

TO THE MEMBERS OF THE 65TH LEGISLATURE, FIRST CALLED SESSION:

Pursuant to Proclamation 41-1632, Section 2, issued by me on the 8th day of July, 1977, I hereby submit as an additional subject for consideration in the First Called Session, and ask the enactment of legislation pertaining to nursing and convalescent homes and to the protection of elderly persons resident therein, including:

- a. strengthening licensing requirements for nursing and convalescent homes facilities;
- b. unannounced inspections of licensed facilities;
- c. periodic open hearings in licensed facilities;
- d. providing for additional temporary restraining order and injunctive relief against non-complying facilities;
- e. additional economic sanctions against non-complying facilities;
- f. transfer of medical functions and quality of care to the Texas Department of Health;

- g. increase in criminal penalties for those who abuse or neglect elderly persons in licensed facilities;
- h. protective services for elderly persons and other persons who may be patients in nursing or convalescent homes.

Issued on July 15, 1977

At 1:30 PM

Respectfully submitted,

Dolph Briscoe
Governor of Texas

SENATE BILL ON FIRST READING

By unanimous consent, the following bill was introduced, read first time and referred to the Committee indicated:

S.B. 8 by Jones of Harris Human Resources
Relating to convalescent and nursing homes, their inspections and consultations, and confidential information; amending Sections 9 and 13, Chapter 413, Acts of the 53rd Legislature, Regular Session, 1953, as amended (Article 4442c, Vernon's Texas Civil Statutes); and declaring an emergency.

MESSAGE FROM THE GOVERNOR

The following Message from the Governor was read and was referred to the Committee on State Affairs, Subcommittee on Nominations:

Austin, Texas
July 15, 1977

TO THE SENATE OF THE SIXTY-FIFTH LEGISLATURE, FIRST CALLED SESSION:

I ask the advice, consent and confirmation of the Senate with respect to the following appointment to be effective immediately:

TO BE ASSOCIATE JUSTICE OF THE SUPREME COURT OF TEXAS
UNTIL THE NEXT GENERAL ELECTION AND UNTIL HIS SUCCESSOR
SHALL BE DULY ELECTED AND QUALIFIED:

THE HONORABLE CHARLES W. BARROW of San Antonio, Bexar County is replacing Don Yarbrough who resigned.

Respectfully submitted,
Dolph Briscoe
Governor of Texas

REPORT OF COMMITTEE OF THE WHOLE SENATE

By unanimous consent, Senator Mauzy submitted the following report for the Committee of the Whole Senate:

We, your Committee of the Whole Senate, to which was referred **S.B. No. 1**, have had the same under consideration, and I am instructed to report back to the Senate that the Committee of the Whole Senate recommend that the Senate concur in House amendments to **S.B. 1**.

SENATE BILL 1 WITH HOUSE AMENDMENTS

Senator Mauzy called **S.B. 1** from the President's table for consideration of the House amendments to the bill.

The President laid the bill and the House amendments before the Senate.

AMENDMENT NO. 1

Substitute the following for **S.B. No. 1**

A BILL TO BE ENTITLED

AN ACT

relating to public school education; amending various provisions of the Texas Education Code, as amended, as follows: amending Section 16.001, relating to state educational policy; amending Sections 16.052, 16.055, 16.251(b), and 21.008(a), relating to the length of the school year; amending Section 16.056, relating to salaries of school personnel; amending Section 16.151, relating to the operating cost allotment to school districts; amending Section 16.206(c), (g), (h), and (i), relating to the allotment to school districts for transportation services; amending Section 16.102, relating to the personnel unit allotments; amending Section 16.103(f), relating to vocational personnel; amending Sections 16.104, 11.052, and 11.10(o), (q), (s), and (t) and adding Section 11.103, relating to special education for handicapped children; amending Section 16.252, relating to each school district's share of the foundation school program cost; amending Section 16.254(a) and (d), relating to minimum foundation school program costs; amending Subchapter H, Chapter 16, relating to equalization aid for program enrichment; amending Section 20.03, relating to property appraisals, assessment ratios, and tax rates of certain school districts; amending Section 11.01, relating to the composition of the Central Education Agency; amending Sections 11.32 and 11.33, relating to regional service centers; adding Subchapter F to Chapter 11, relating to the School Tax Assessment Practices Board; adding Section 20.53, relating to the authority of school districts to charge fees; amending Sections 12.14, 12.15, and 12.18(e) and adding Subsections (c) and (d) to Section 12.01, relating to textbooks; amending and renumbering Section 21.911, relating to educational television; amending Section 23.994, relating to the uses of incentive aid payments; repealing Sections 11.062, 16.256, 16.207(d) and 16.212; amending Article 24.01, Title 122A, Taxation—General, Revised Civil Statutes of Texas, 1925, as amended; Subsection (a), Section 205.02, Alcoholic Beverage Code; and Chapter 2, Title 122, Revised Civil Statutes of Texas, 1925, as amended, relating to the allocation of certain funds to the Foundation School Fund; and making appropriations.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

Section . Section 16.001, Texas Education Code, as amended, is amended to read as follows:

"Sec. 16.001. STATE POLICY. It is the policy of the State of Texas that the provision of public education is a state responsibility and that a thorough and efficient system be provided and substantially financed through state revenue sources

so that each child shall have the opportunity to develop to his/her full potential. It is further the policy of this state that the value assigned to each school district for the purpose of determining the district's local share of its guaranteed entitlement under the Foundation School Program shall be equitably determined, notwithstanding the various types of wealth within each district, so that no class of property is unfairly treated. ~~[It is the policy of this state that each student enrolled in the public school system shall have access to programs and services that are appropriate to his educational needs and that are substantially equal to those available to any similar student, notwithstanding varying local economic factors.]~~"

Sec. 2. Section 16.052, Texas Education Code, as amended, is amended to read as follows:

"Sec. 16.052. OPERATION OF SCHOOLS. (a) Each school district must provide ~~[operate its schools each year]~~ for not less than 180 ~~[school]~~ days of instruction for students and not less than 10 days of inservice training and preparation for teachers for the 1977-1978 school year and not less than 177 days of instruction for students and not less than 8 days of inservice training and preparation for teachers for each school year thereafter, except as provided in Subsection (b) of this section.

"(b) The commissioner of education may approve the operation of schools for less than the number of ~~[180]~~ days of instruction and ~~[10 days of]~~ inservice ~~[in-service]~~ training and preparation otherwise required when disasters, floods, extreme weather conditions, fuel curtailments, or other calamities have caused the closing of the school."

Sec. 3. Section 16.055, Texas Education Code, as amended, is amended to read as follows:

"Sec. 16.055. COMPENSATION OF PROFESSIONAL AND PARAPROFESSIONAL PERSONNEL. (a) A school district must pay each employee who is qualified for and employed in a position classified under the Texas Public Education Compensation Plan set forth in Section 16.056 of this chapter not less than the minimum monthly base salary, plus increments for teaching experience, specified for the position.

"(b) Salaries shall be paid on the basis of a minimum of 10 months' service, which must include the number of ~~[180 school]~~ days of instruction for students and ~~[plus not more than 10]~~ days of inservice training and preparation for personnel required by Section 16.052 of this code. The days of inservice training and preparation required herein shall be conducted by local boards of education under rules and regulations established by the State Board of Education that are consistent with the state accreditation standards for program planning, preparation, and improvement. Personnel employed for more than 10 months shall be paid not less than the minimum monthly base pay plus increments for experience for each month of actual employment. Personnel employed for 11 months must render 210 days of service, and personnel employed for 12 months must render 230 days of service. However, ~~[Provided, however, that]~~ the number of days of service required by this subsection may be reduced by the commissioner under Section 16.052(b) of this code, and the ~~[; and provided further, that any such]~~ reduction shall not reduce the total salaries of ~~[professional]~~ personnel."

Sec. 4. Section 16.056, Texas Education Code, as amended, is revised to read as follows:

"Sec. 16.056. TEXAS PUBLIC EDUCATION COMPENSATION PLAN. (a) School district personnel who are qualified for and employed in positions authorized in Subsection (d) of this section shall be paid not less than the monthly base salary, plus increments for teaching experience, for the applicable pay grade computed on the basis of the salary index set forth in Subsection (c) of this section. The value of each cell in the salary index shall be determined by multiplying the

index factor for the cell by \$940 for the 1977-1978 school year and by \$949 for each school year thereafter.

“(b) For the 1977-1978 school year each individual shall be placed in the salary step immediately above the one occupied during the 1976-1977 school year and shall advance one step for each year of experience thereafter until step 10 is reached. For the 1977-1978 school year persons who have served in step 10 for at least two years shall advance to step 11, and for the 1978-1979 school year persons who have served in step 10 or higher for at least four years shall advance to step 12. Thereafter, a person must serve at step 10 for two years before advancing to step 11, at step 11 for two years before advancing to step 12, and at step 12 for two years before advancing to step 13.

C.S.S.B. No. 1

(c) SALARY INDEX BY STEPS

Pay Grade	Personnel Unit Value	0	1	2	3	4	5	6	7	8	9	10
1	.55	.46	.48	.50	.52	.54	.56	.58	.61	.63	.65	.67
2	.60	.53	.55	.57	.59	.61	.63	.66	.69	.72	.75	.78
3	.75	.63	.65	.67	.70	.73	.76	.79	.82	.83	.84	.85
4	.80	.68	.71	.74	.77	.80	.83	.86	.90	.94	.98	1.02
5	.90	.72	.75	.78	.82	.86	.90	.94	.98	1.03	1.08	1.13
6	.95	.78	.81	.84	.88	.92	.96	1.00	1.05	1.10	1.15	1.20
7	1.00	.90	.93	.96	1.00	1.04	1.08	1.13	1.18	1.23	1.29	1.35
8	1.00	.96	.99	1.03	1.08	1.13	1.18	1.23	1.29	1.35	1.41	1.47
9	1.15	.98	1.02	1.06	1.10	1.15	1.21	1.27	1.33	1.39	1.45	1.52
10	1.20	.99	1.04	1.09	1.14	1.19	1.25	1.31	1.37	1.43	1.49	1.56
11	1.25	1.05	1.09	1.14	1.19	1.25	1.31	1.37	1.43	1.49	1.55	1.61
12	1.30	1.08	1.13	1.18	1.23	1.28	1.33	1.39	1.45	1.52	1.59	1.67
13	1.40	1.16	1.21	1.26	1.31	1.36	1.42	1.48	1.55	1.62	1.69	1.77
14	1.50	1.23	1.28	1.33	1.39	1.45	1.51	1.57	1.64	1.71	1.78	1.87
15	1.75	1.40	1.46	1.52	1.58	1.64	1.70	1.78	1.86	1.94	2.03	2.13
16	2.00	1.56	1.63	1.70	1.77	1.84	1.92	2.00	2.09	2.18	2.28	2.39
17	2.25	1.80	1.85	1.91	1.97	2.05	2.13	2.22	2.32	2.42	2.53	2.65
18	2.50	1.86	1.95	2.04	2.14	2.25	2.36	2.47	2.58	2.69	2.80	2.91

“(d) The positions, pay grades, titles, and number of annual contract months authorized for each position under the Texas Public Education Compensation Plan are as follows:

<u>Pay Grade</u>	<u>No. Months Paid</u>	<u>Class Title</u>
1	10	Educational Aide I
1	10	Educational Secretary I
2	10	Educational Aide II
2	10	Educational Secretary II
3	10	Educational Aide III
3	10	Educational Secretary III
4	10	Teacher Trainee I
5	10	Teacher Trainee II
5	10	Certified Nondegree Teacher
7	10	Nurse, R.N. and/or Bachelor's Degree
7	10	Teacher, Bachelor's Degree
7	10 11 12	Vocational Teacher, Bachelor's Degree and/or Certified in Field
7	10	Librarian I, Bachelor's Degree
7	10	Visiting Teacher I, Psychological Associate, Bachelor's Degree
8	10	Teacher, Master's Degree
8	10 11 12	Vocational Teacher, Master's Degree
8	10	Librarian II, Master's Degree
8	10	Physician, M.D.
9	10	Special Duty Teacher, Master's Degree

10	10	Visiting Teacher II, Master's Degree
10	10	Counselor I, Psychologist
10	10	Supervisor I
10	10	Part-time Principal— 11 or fewer teachers on campus
10	10	Instructional/Administra- tive Officer I
11	10	Assistant Principal— 20 or more teachers on campus
11	10	Instructional/Administra- tive Officer II
12	11	Principal—19 or fewer teachers on campus
12	10	Instructional/Administra- tive Officer III
13	11	Principal—20-49 teachers on campus
13	11 12	Instructional/Administra- tive Officer IV
14	11	Principal—50-99 teachers on campus
14	12	Principal—100 or more teachers on campus
14	12	Instructional/Administra- tive Officer V
14	12	Superintendent—District with 400 or less ADA
15	12	Instructional/Administra- tive Officer VI

15	12	Superintendent—District with 401-3,000 ADA
16	12	Instructional/Administrative Officer VII
16	12	Superintendent—District with 3,001-12,500 ADA
17	12	Instructional/Administrative Officer VIII
17	12	Superintendent—District with 12,501-50,000 ADA
18	12	Superintendent—District with 50,000 or more ADA

“(e) With the approval of the State Board of Education, the commissioner of education may add additional positions and months of service to the Texas Public Education Compensation Plan to reflect curriculum and program changes authorized by law. The pay grade assigned to each new position shall be comparable to the pay grade for authorized personnel with similar academic training, experience, and duties. With the approval of the board, the commissioner shall also develop policies for the implementation and administration of the compensation plan. The policies shall provide for the adjustment of salaries for promotions and demotions within grades and the placement of personnel with prior educational experience into the compensation plan.”

“(f) A person certified to teach in the public schools of Texas who holds a bachelor of laws or doctor of jurisprudence degree from an accredited law school shall have his minimum salary calculated on the basis of a master's degree.”

“(g) Each person employed in the public schools of this state who is assigned to a position classified at pay grade 4 or above for purposes of the Foundation School Program must be certified according to the certification requirements and/or standards for each position as established by the Central Education Agency. The board of trustees of each school district shall adopt policies establishing the requirements and specifying the duties of each person employed in a position classified at pay grade 1, 2, or 3.”

“(h) The State Board of Education shall prescribe above pay grade 3 the duties and required preparation and education for positions listed in Subsection (d) of this section.”

“(i) Each school district may employ at the central office level instructional/administrative officers, instructional officers, or administrative officers listed in Section 16.056(d) of this code at any pay grade for which personnel are authorized and may choose among the contract options provided; however, such personnel must be employed at pay grades above pay grade 9 and below that of the district's superintendent. The personnel authorized by this section may include, but are not limited to, instructional supervisors, instructional specialists, tax assessors, business managers, and personnel officers.”

Sec. Section 16.102, Texas Education Code, as amended, is amended to read as follows:

"Sec. 16.102. ~~[REGULAR]~~ EDUCATION PROGRAM PERSONNEL. (a) Education ~~[Regular education]~~ program personnel units shall be allotted to each school district on the basis of ~~[the district's current average daily attendance during the 180-day school term for the 1975-1976 school year and on the basis of]~~ the district's current average daily attendance for the best five six-week reporting periods [170 days] of the [180-day] school term unless exceptions are authorized by other sections of this code [for each school year thereafter].

~~"(b) The [A district's average daily attendance in regular education programs is determined by subtracting from the average daily attendance the average daily full time equivalent student attendance in vocational and special education programs. A district's full time equivalent students in average daily attendance in vocational and special education programs are determined by applying to the average daily attendance in the programs the ratio of the number of hours per school day devoted to the programs to six hours. Until the beginning of the 1977-1978 school year, the]~~ attendance of kindergarten students may not be counted for personnel unit allotment purposes for more than one-half of a school day during the full school year or for the full school day for more than one-half of the school year unless the student is educationally handicapped. An educationally handicapped student is a student who cannot speak and comprehend the English language or who is from a family whose income, according to standards promulgated by the State Board of Education, is at or below a subsistence level.

"(c) Each school district shall be allotted personnel units on the basis of the district's average daily attendance in ~~[regular]~~ education programs as follows:

"(1) one personnel unit for each 18.5 [49] students in average daily attendance in kindergarten and grades 1 through 3;

"(2) one personnel unit for each 21 students in average daily attendance in grades 4 through 6;

"(3) one personnel unit for each 20 students in average daily attendance in grades 7 through 9; and

"(4) one personnel unit for each 18 students in average daily attendance in grades 10 through 12.

"(d) The personnel unit allotment for a school district which contains at least 300 square miles and which has not more than 1,000 students in average daily attendance in its ~~[regular]~~ education program shall be adjusted according to the following formula:

$$[1 + (1000 - ADA) (.000455)] \times PU \text{ [RPU]} = APU$$

where PU ~~[RPU]~~ is the district's ~~[regular]~~ personnel units determined in accordance with Subsection (c) of this section; and APU is the district's adjusted personnel units.

"(e) The personnel unit allotment for a school district which contains less than 300 square miles and has not more than 1,000 students in average daily attendance in its education program shall be adjusted according to the following formula:

$$[1 + (1000 - ADA) (.0003)] \times PU = APU$$

where PU is the district's personnel units determined in accordance with Subsection (c) of this section; and APU is the district's adjusted personnel units.

"(f) ~~(e)~~ Fractional personnel units in excess of one-half shall be counted as whole units.

"(g) A district's total personnel units, as adjusted, shall be reduced by an amount equal to one-half of the sum of the personnel unit values for vocational personnel allocated to the district under the provisions of Section 16.103 of this chapter, and by an amount equal to one-fourth of the sum of the personnel unit values for special education personnel allocated to the district under the provisions of Section 16.104 of this code.

“(h) Under rules of the State Board of Education, the commissioner shall adjust a district's personnel units to take into account cooperative programs and contract services.”

“(i) ~~(h)~~ A school district may use its personnel units for any combination of personnel classified under the Texas Public Education Compensation Plan which the district feels will best meet the needs of the students in the district, provided that the total of the number of personnel units for each position chosen multiplied by the personnel unit value for that position specified on the salary schedule, does not exceed the total number of personnel units to which the district is entitled under the provisions of this section. The commissioner, with the approval of the State Board of Education, shall establish minimum standards for staffing patterns for all personnel.

“(j) ~~(e)~~ A district need not employ personnel for the full number of personnel units to which it is entitled.

“(k) Notwithstanding the provisions of Subsection (i) of this section, 95 percent of the personnel units, excluding fractional units, earned by a school district as a result of student attendance in kindergarten and grade one pursuant to Subsection (c) of this section shall be used to employ personnel assigned instructional duties in kindergarten or grade one. Eighty percent of the personnel units, excluding fractional units, earned by a school district as a result of student attendance in grades two and three shall be used to employ personnel assigned instructional duties in grade two or three. This section does not prohibit a teacher or aide from performing instructional duties in more than one grade, and, for purposes of determining compliance with the provisions of this subsection, the State Board of Education shall promulgate rules governing the calculation of fractional personnel unit values based on class time to be assigned to personnel who teach at more than one grade level. Regular teachers assigned to classroom teaching duties, special area teachers, educational aides, and librarians assigned to these grades shall be included in these calculations. The commissioner of education may make a limited waiver of the provisions of this subsection for a period not to exceed two years for school districts that demonstrate an inability to assign personnel as required by this subsection because of a lack of classroom space.

“(l) A qualified teacher, educational aide, or counselor may perform services in a combination of regular, special, or vocational education programs, and the State Board of Education shall promulgate rules governing the distribution of the personnel units utilized and the salary allocated among the programs involved in proportion to the services performed in each program.

“(m) Where a school district is consolidated or contracted with another district, or annexed in whole or part to another district or districts, or where the number of grades taught has been reduced, or where the scholastics are transferred to another district, or where there is an annual fluctuation in the attendance in the district, or where for any reason there is a marked increase or decrease in the attendance of any school district, adjustments in personnel allotments shall be made by the state commissioner of education.

“(n) For the 1977-1978 school year and each year thereafter, any school district that needs additional units to meet accreditation standards established by the Central Education Agency may apply for additional personnel units to the commissioner of education. The commissioner shall review these requests and may allocate these units. For purposes of this subsection, the commissioner is hereby allocated 200 personnel units to be distributed annually to qualifying districts based on such requests.”

Sec. . Subsection (f), Section 16.103, Texas Education Code, as amended, is amended to read as follows:

"(f) Vocational professional unit allotments, except classroom teachers who also served as part-time vocational teachers, shall be made in addition to other professional unit allotments. Notwithstanding anything to the contrary, vocational administrative units shall be approved on a 12-month contract basis, and vocational supervisor and vocational counselor units shall be approved up to an 11-month contract basis, based on program needs. In addition to the regular operating allowance, there shall be an additional allocation of \$400 for each vocational teacher unit."

Sec. . Section 16.104, Texas Education Code, as amended, is amended to read as follows:

"Sec. 16.104. COMPREHENSIVE SPECIAL EDUCATION PROGRAM FOR HANDICAPPED ~~[EXCEPTIONAL]~~ CHILDREN. (a) The commissioner of education, with the approval of the State Board of Education, shall develop, and modify as necessary, a statewide design for the delivery of services to handicapped children in Texas which includes rules for the administration and funding of the special education program so that an appropriate public education is available to all handicapped children between the ages of 3 and 21 by no later than September 1, 1980. The statewide design shall include, but may not be limited to, the provision of services primarily through local school districts and special education cooperatives, supplemented by a regional delivery structure and special allotments for districts impacted by residential or hospital placements. [It is the intention of this section to provide for a comprehensive special education program for exceptional children in Texas.]

"(b) As used in this section:

"(1) 'Handicapped ~~[Exceptional]~~ children' means children between the ages of 3 and 21, inclusive, with educational handicaps (physical, retarded, emotionally disturbed, and/or children with language and/or learning disabilities) as hereinafter more specifically defined; autistic children; and children leaving and not attending public school for a time because of pregnancy—disabilities which render regular services and classes of the public schools inconsistent with their educational needs.

"(2) 'Physically handicapped children' means children of educable mind whose body functions or members are so impaired from any cause that they cannot be adequately or safely educated in the regular classes of the public schools without the provision of special services.

~~[(2) 'Handicapped children' means children who have physical or mental disabilities, singularly or in combination that:~~

~~[(A) cannot readily be corrected through routine medical services of a nonextended nature;~~

~~[(B) for the children constitute or result in a substantial handicap to the deriving of benefits from regular classroom programs and routine school activities; and~~

~~[(C) can reasonably be expected to render the children eligible for vocational rehabilitation services or, if the handicaps are particularly severe, eligible for referral to vocational rehabilitation agencies for evaluation of eligibility for vocational rehabilitation services, at the time when the children reach the age at which vocational rehabilitation services may appropriately be provided.]~~

"(3) 'Mentally retarded children' means children whose mental capacity is such that they cannot be adequately educated in the regular classes of the public schools without the provision of special services.

"(4) 'Emotionally disturbed children' means children whose emotional condition is medically and/or psychologically determined to be such that they cannot be adequately and safely educated in the regular classes of the public schools without the provision of special services.

"(5) 'Language and/or learning disabled children' means children who are so deficient in the acquisition of language and/or learning skills including, but not limited to, the ability to reason, think, speak, read, write, spell, or to make mathematical calculations, as identified by educational and/or psychological and/or medical diagnosis that they must be provided special services for educational progress. The term 'language and/or learning disabled children' shall also apply to children diagnosed as having specific development dyslexia.

"(6) 'Special services' required for the instruction of or program for handicapped ~~exceptional~~ children means special teaching in the public school curriculum inside and/or outside the regular classroom; corrective teaching, such as lipreading, speech correction, sight conservation, corrective health habits; transportation, special seats, books, instructional media, and supplies; professional counseling with students and parents; supervision of professional services and pupil evaluation services; established teaching techniques for children with language and/or learning disabilities.

~~[(e) Under rules, regulations, and/or formulas adopted by the State Board of Education subject to the provisions of this section, exceptional children teacher units, in addition to other professional and paraprofessional unit allotments herein authorized, shall be allotted to any eligible school district in the number determinable thereunder. Exceptional children teacher units for pupils who are both severely physically handicapped and mentally retarded shall be allocated on a separate formula from other type units.]~~

"(c)(1) Except as provided in Subdivision (2) of this subsection a school district is allocated 30 special education personnel units for the first 3,000 students in refined average daily attendance and 4.25 special education personnel units for each additional 500 students in refined average daily attendance. The units may be used only for personnel listed in Subsections (d) and (e) of this section.

"(2) Activation of personnel units shall be based on the following schedule:

<u>Personnel</u>	<u>Personnel Units</u>
<u>Special Education Teachers</u>	<u>1</u>
<u>Teacher Aides</u>	
<u>Level I</u>	<u>.55</u>
<u>Level II</u>	<u>.6</u>
<u>Level III</u>	<u>.75</u>
<u>Support Personnel</u>	<u>1.2</u>

"(3) If less than 12 percent of the district's students are identified as handicapped children and provided with special services, the number of special education personnel units to which the district is entitled under Subdivision (1) of this subsection shall be reduced to a percent of full allocation based on the percent of students served according to the following schedule:

<u>Percent served</u>	<u>Percent of full allocation</u>
<u>12%</u>	<u>100%</u>
<u>11%</u>	<u>94%</u>
<u>10%</u>	<u>88%</u>
<u>9%</u>	<u>82%</u>
<u>8%</u>	<u>76%</u>
<u>7%</u>	<u>70%</u>
<u>6%</u>	<u>63%</u>

0-5% set by commissioner, not to exceed 56%

"(4) The percent of students served is determined by dividing the number of identified handicapped children served by the district by the district's refined average daily attendance and rounding the dividend to the nearest tenth. A district that serves less than 12 percent of the students in refined average daily attendance is entitled to an increase in the percent of allocation for a percent of students served

specified in the schedule above equal to one percent of full allocation for each additional one-tenth of one percent of the students served but not exceeding the allocation specified on the schedule for the next highest percent of students served.

"(5) Any funds which may become available in excess of those required to fully fund the provisions of this section may be used to provide additional special education units which shall be allocated based on an application for the funds by the local district. The application shall include a thorough assessment of the local district's particular needs which justify the allocation of additional personnel units.

"(6) Any personnel units allocated under this subsection but not utilized by the local district may be reallocated by the commissioner in the manner described in Subdivision (5) of this subsection. ~~[Under rules, regulations, and/or formulas adopted by the State Board of Education subject to the provisions of this section, exceptional children teacher units, in addition to other professional and paraprofessional unit allotments herein authorized, shall be allotted to any eligible school district in the number determinable thereunder. Exceptional children teacher units for pupils who are both severely physically handicapped and mentally retarded shall be allocated on a separate formula from other type units.]~~

"(d) Professional personnel for the operation and maintenance of a program of special education shall be:

"(1) handicapped ~~[exceptional]~~ children teachers;

"(2) special education directors;

"(3) ~~[(2)]~~ special education supervisors;

"(4) ~~[(3)]~~ special education counselors;

"(5) ~~[(4)]~~ special service teachers, such as itinerant teachers of the homebound and visiting teachers, whose duties may or may not be performed in whole or in part on the campus of any school; and

"(6) ~~[(5)]~~ psychologists, educational diagnosticians, and other pupil evaluation specialists. The minimum salary for such specialist to be used in computing salary allotment for purposes of this section shall be established by the commissioner of education.

"(e) Paraprofessional personnel for the operation and maintenance of a program of special education shall consist of persons engaged as teacher aides, who may or may not hold a teacher certificate. The qualifications and minimum salary levels of paraprofessional personnel for salary allotment purposes of this section shall be established by the commissioner of education. The annual salary for a special education teacher aide engaged in a 10, 11, or 12 months special education program approved by the commissioner of education shall be the approved monthly base salary, plus increments for experience, multiplied by 10, 11, or 12, as applicable.

"(f) ~~[Quantitative bases for the allotment of all special education unit personnel under Subsection (e) of this section shall be established by the commissioner of education under rules adopted by the State Board of Education.]~~ Any school district, at its expense, may employ any special education personnel in excess of its state allotment and may supplement the minimum salary allotted by the state for any special education personnel, and any district is authorized at local expense to pay for all or part of further or continuing training or education of its special education personnel.

"(g) Special education unit personnel may be employed and/or utilized on a full-time, part-time, or consultative basis, or may be allotted by the commissioner of education, pursuant to cooperative districts' agreement, jointly to serve two or more school districts. Two or more school districts may operate jointly their special education program and any school district may contract where feasible with any other school district for all or any part of the program of special education for the children of either district, under rules and regulations established by the commissioner of education.

“(h) Each school district is entitled to an allotment for special materials and consultant and appraisal services of not less than \$500 for each special education teacher employed to fill a personnel unit allocated to the district under Subsection (c) of this section. Funds allocated must be spent in accordance with the guidelines established for at least one of the above-mentioned services as defined by the commissioner. Funds for the purposes stated above may be allocated to regional education service centers for the cooperative use of school districts. ~~[To each school district operating an approved special education program there shall also be allotted a special service allowance in an amount to be determined by the commissioner of education for pupil evaluation, special seats, books, instructional media, and other supplies required for quality instruction.]~~

“(i) The minimum monthly base pay and increments for teaching experience for a handicapped ~~[an exceptional]~~ children teacher or a special service teacher conducting a 10, 11, or 12 months special education program approved by the commissioner of education shall be the same as that of a classroom teacher as provided in Subchapter B of this chapter; provided that special education teachers shall have qualifications approved by the commissioner of education. The annual salary of special education teachers shall be the monthly base salary, plus increments, multiplied by 10, 11, or 12, as applicable.

“(j) The minimum monthly base pay and increments for teaching experience for special education counselors, ~~[and]~~ supervisors, evaluation personnel, and directors engaged in a 10, 11, or 12 months special education program approved by the commissioner of education shall be the same as that of a counselor, ~~[or]~~ supervisor, evaluator, or director as provided in Subchapter B of this chapter; provided that such counselors, ~~[and]~~ supervisors, evaluation personnel, and directors shall have qualifications approved by the commissioner of education. The annual salary of special education counselors, ~~[and]~~ supervisors, evaluation personnel, and directors shall be the monthly base salary, plus increments, multiplied by 10, 11, or 12, as applicable.

“(k) The salary costs of special education teacher units, other professional and paraprofessional units authorized in Subsections (c), (d), and (e) of this section, and operating costs as provided in Subsection (h), computed as other costs of the Foundation School Program for local fund assignment purposes, shall be paid from the Foundation School Program School Fund. Provided further, that any school district may supplement any part of the comprehensive special education program it operates or participates in with funds or sources available to it from local sources, public or ~~[and/or]~~ private.

~~“(l) Under rules and regulations of the State Board of Education, eligible school districts may contract with nonprofit community mental health and/or mental retardation centers, public or private, or any other nonprofit organization, institution, or agency approved by the State Board of Education, for the provision of services to exceptional children as defined by this section who reside with their parents or guardians.]~~

“(l) ~~[(m)]~~ Under rules and regulations of the State Board of Education, eligible school districts, special education cooperatives, and regional education service centers may contract with nonprofit community mental health or ~~[and/or]~~ mental retardation centers, public or private, or any other nonprofit organization, institution, or agency approved by the State Board of Education, for the provision of services to handicapped ~~[exceptional]~~ children as defined by this section, who reside with their parents or guardians.

“(m) The legislature shall set a limit on the amount of funds that may be expended under the provisions of this section each year in the General Appropriations Act. Should the amount of funds required to fully fund the provisions of this section pursuant to the rules and regulations of the State Board of

Education exceed the amount set by the legislature, the commissioner, with the approval of the board, shall make such adjustments as are necessary to reduce the total cost of the special education program to the limit set by the legislature. The commissioner shall make further adjustments as necessary to ensure that, for the 1977-1978 school year, no school district which serves less than 12 percent of its students in special education programs, as determined in accordance with the provisions of Subsection (c) of this section, shall receive an allocation of special education personnel units that is smaller than that district's allocation for the 1976-1977 school year, unless that district is serving a smaller percentage of handicapped children in the 1977-1978 school year than it did in the 1976-1977 school year; and that no school district which serves more than 12 percent of its students in special education programs, as determined in accordance with the provisions of Subsection (c) of this section, shall receive an allocation of special education personnel units that is smaller than that district's allocation for the 1976-1977 school year.

"(n) The commissioner, with the approval of the State Board of Education, shall adopt rules necessary to ensure that services to handicapped children shall be provided first to handicapped children not receiving an education and then to handicapped children, within each disability, with the most severe handicaps, who are receiving an inadequate education. The State Board of Education shall approve the definitions of levels of severity that the commissioner develops for the purposes of this subsection. The commissioner shall further develop rules necessary to ensure that sufficiently detailed records are kept and reports received to allow meaningful evaluation of the effectiveness of the policies and procedures adopted under this subsection.

~~[(p) The State Board of Education shall adopt such policies and procedures for the administration of the comprehensive special education program for exceptional children in Texas as might be necessary to assure that:~~

~~[(1) in the event that comprehensive special education services cannot be provided to all exceptional children, handicapped children throughout the State of Texas will be served first;~~

~~[(2) the priority in services to handicapped children will be determined according to the severity of the handicaps of the children eligible for special education services; and~~

~~[(3) sufficiently detailed records are kept and reports received to allow meaningful evaluation of the effectiveness of the policies and procedures adopted pursuant to this subsection.]~~

~~[(q) Special services extended to children who are handicapped by a hearing or visual impairment, or by both hearing and visual impairments, shall be provided by qualified staff certified by reputable public or private nonprofit organizations in the fields of work for the blind or work for the deaf as having the professional credentials and competencies required for certification within those fields.]"~~

Sec. . Section 16.151, Texas Education Code, as amended, is amended to read as follows:

"Sec. 16.151. OPERATING COST ALLOTMENT. Each school district shall be allotted \$110 ~~[\$90]~~ for each student in average daily attendance during the 1977-1978 ~~[1975-1976]~~ school year and \$115 ~~[\$95]~~ for each student in average daily attendance each school year thereafter."

Sec. . Subsections (c), (g), (h), and (i) of Section 16.206, Texas Education Code, as amended, are amended to read as follows:

"(c) For the 1977-1978 school year, allowable ~~[Allowable]~~ total base costs of maintenance, operation, salaries, depreciation, etc., for each bus shall be:

72 capacity bus	\$5,701	[\$5,323] per year
60-71 capacity bus	5,492	[\$5,128] per year

49-59 capacity bus	5,283	[4,933]	per year
42-48 capacity bus	5,074	[4,738]	per year
30-41 capacity bus	4,866	[4,543]	per year
20-29 capacity bus	4,657	[4,348]	per year
15-19 capacity bus	3,821	[3,568]	per year
1-14 capacity bus	161	[150]	per pupil per year.

For the 1978-1979 school year and thereafter, the allowable total base costs of maintenance, operation, salaries, depreciation, etc., for each bus shall be 105.2 percent multiplied by the allowable total base cost for each bus during the 1977-1978 school year."

"(g) The state commissioner of education may grant not to exceed \$80 [~~\$75~~] per pupil per year in 1977-1978, or \$84 per pupil per year in 1978-1979 and thereafter for private or commercial transportation for eligible pupils from isolated areas. The need for this type of transportation grant shall be determined on an individual basis and the amount granted shall not exceed the actual cost. The grants shall be made only in extreme hardship cases, and no grants shall be made if the pupils live within two miles of an approved school bus route or city public transportation service.

"(h) The cost of transporting vocational education students from one campus to another inside a district or from a sending district to another secondary public school for a vocational program or an area vocational school or to an approved post-secondary institution under a contract for instruction approved by the Central Education Agency shall be reimbursed based on the number of actual miles traveled times the district's official extracurricular travel per mile rate as set by their local board of trustees and approved by the Central Education Agency.

"(i) A school district that provides special transportation services for exceptional students who would be unable to attend classes without the service is entitled to funds equal to the actual cost of the transportation not exceeding \$278 [~~\$260~~] in 1977-1978 or \$292 in 1978-1979 and thereafter for each exceptional student transported."

Sec. . (a) Prior to the convening of the 66th Legislature, the commissioner of education shall determine the actual cost for regular transportation services per eligible student mile in each school district. The costs shall include the total base costs for transporting eligible students for maintenance, operation, salaries, depreciation, and all other costs attributable to the transportation of eligible students, including combined state and local expenditures for each school district. The cost per eligible student mile shall be derived by dividing the average actual daily cost by the average number of eligible student miles traveled daily.

(b) An "eligible student," for purposes of this section, is a student who lives two or more miles from the school to which he is assigned.

(c) For purposes of determining the actual costs in each school district, the commissioner shall designate one day per month on which each school district shall report the actual number of eligible students transported and the total route miles of operation required to transport the students. The average number of eligible students transported daily, divided by the average number of route miles traveled daily, shall determine the classification of school districts into eligible student population categories. The number of the eligible student population categories shall be determined by the commissioner.

(d) The commissioner shall determine the average actual cost for regular transportation services per eligible student mile, including state and local expenditures, within each student population category for the 1977-1978 and 1978-1979 school years.

(e) The commissioner may require any reports and information necessary to develop the cost data required by this section and shall establish any additional rules necessary to implement this section.

(f) The commissioner shall prepare and submit to the 66th Legislature when it convenes in 1979 a recommended plan for funding transportation of eligible students.

Sec. . Section 16.252, Texas Education Code, as amended, is revised to read as follows:

"Sec. 16.252. LOCAL SHARE OF PROGRAM COST. (a) For the 1977-1978 school year and each year thereafter, each school district's share of its guaranteed entitlement under the Foundation School Program shall be an amount equal to the product of an index rate of .0018 multiplied by the full market value of property in the district or the product of an index rate of .00205 multiplied by the index value of property determined pursuant to Section 11.86 of this code, whichever amount is smaller.

"(b) For the 1977-1978 and 1978-1979 school years, the estimates of market values and agricultural use values of open-space land reported in the official compilation of school district property values prepared by the Governor's Office, Education Resources shall be used as the market values and index values for the determination of the local fund assignment. For the 1979-1980 school year and thereafter, the commissioner of education shall utilize the official biennial report of the School Tax Assessment Practices Board estimates of the market value and index value in each school district for determining the local fund assignment. Such estimates of value shall be determined in accordance with Subchapter F, Chapter 11 of this code.

"(c) For the 1977-1978 school year and each school year thereafter, no district's local fund assignment as determined pursuant to this section shall exceed 125 percent of its prior year's local fund assignment.

"(d) The commissioner of education shall adjust the values reported in the official compilation to reflect reductions in taxable value of property resulting from natural or economic disaster since January 1, 1975. Prior to the determination of each school district's share of its guaranteed entitlement under the Foundation School Program for the 1977-1978 and the 1978-1979 school years, each district shall have the right to appeal its value based on the 1976 official compilation of school district property values prepared by the Governor's Office, Education Resources. Prior to October 1, 1977, appeals shall be reviewed by the commissioner of education and these appeals to the commissioner shall not be subject to the provisions of the Administrative Procedure and Texas Register Act. Appeals thereafter shall be held pursuant to Section 11.86(d) of this code. The decision of the commissioner of education shall be final and shall be completed no later than October 1, 1977. Thereafter, the decision of the School Tax Assessment Practices Board may be appealed pursuant to Section 11.86(e) of this code.

"(e) A school district need not raise its total local share of its program cost."

Sec. . Subsection (b), Section 16.251, Texas Education Code, as amended, is amended to read as follows:

"(b) The program shall be financed by:

"(1) ad valorem tax revenue generated by an equalized local school district effort;

"(2) state [and county] available school funds distributed in accordance with law; and

"(3) state funds appropriated for the purposes of public school education and allocated to each district in an amount sufficient to finance the cost of each district's Foundation School Program not covered by other funds specified in this subsection."

Sec. . Subsections (a) and (d), Section 16.254, Texas Education Code, as amended, are amended to read as follows:

“(a) The commissioner of education shall determine annually:

“(1) the amount of money necessary to operate a Foundation School Program in each school district;

“(2) the amount of local funds assigned to each school district for the support of the program; and

“(3) the amount of state ~~and county~~ available school funds distributed to each school district.”

“(d) Notwithstanding the provisions of Subsection (b) of this section, for the 1977-1978 ~~[1975-1976 and 1976-1977]~~ school year and each year of the biennium ending August 31, 1979, ~~[years]~~ no school district shall receive less state aid, plus pay raises exclusive of service increments, for foundation personnel provided by Section 16.055(b) of this code, per student in average daily attendance than ~~[104 percent of the amount]~~ it received per student in average daily attendance under the Foundation School Program for the 1976-1977 ~~[1974-1975]~~ school year.”

Sec. . Subchapter H, Chapter 16, Texas Education Code, as amended, is amended to read as follows:

“SUBCHAPTER H. EQUALIZATION AID FOR PROGRAM ENRICHMENT

“Sec. 16.301. DISTRICT ELIGIBILITY. (a) A school district with an average property value ~~[a local fund assignment]~~ per student in average daily attendance which is less than 110 ~~[125]~~ percent of the total statewide average property value ~~[local fund assignment]~~ per student in average daily attendance in the state is eligible for state equalization aid for the enrichment of its educational program beyond the level guaranteed under the Foundation School Program. The amount of state equalization aid shall not exceed \$185 ~~[\$70]~~ per student in average daily attendance. Money received by local districts under provisions of this subchapter may be expended for any lawful school purpose.

“(b) Each school district whose average property value per student in average daily attendance is less than 50 percent of the total statewide average property value per student in average daily attendance in the state shall be eligible to receive an allotment of \$210 per student in average daily attendance in the district, to be distributed on the same basis as equalization aid under Subsection (a) of this section.

“Sec. 16.302. DETERMINATION OF EQUALIZATION AID ENTITLEMENT. ~~[(a)]~~ The amount of state equalization aid to which a district is entitled is determined by the formula:

$$SEA = 1 - \frac{(SAPV[SLFA]/ADA) \times 1.10 \text{ [1.25]}}{X \text{ ADA} \times \$185 \text{ [\$70]}}$$

where

“‘SEA’ is the state equalization aid guaranteed to the district;

“‘DAPV[DLFA]/ADA’ is the average of the district’s full market value of property and agricultural use value of property as determined by the Governor’s Office, Education Resources for the 1977-1978 and 1978-1979 school years and thereafter as determined pursuant to Section 11.86 of this code ~~[district’s local fund assignment]~~ divided by the number of students in average daily attendance in the district;

“‘SAPV[SLFA]/ADA’ is the average of the total statewide full market value of property and the total statewide agricultural use value of property as determined by the Governor’s Office, Education Resources for the 1977-1978 and 1978-1979 school years and thereafter as determined pursuant to Section 11.86 of this code ~~[local fund assignment]~~ divided by the number of students in average daily attendance in the state; and

“‘ADA’ is the number of students in average daily attendance in the district.

“Sec. 16.303. REQUIRED LOCAL EFFORT. ~~[(a)]~~ In order to receive ~~[the full amount of]~~ equalization aid ~~[available to a district]~~, the district must raise ~~[local funds in an amount which exceeds]~~ its local fund assignment ~~[by the difference between the amount derived by multiplying the number of students in average daily attendance in the district by \$70 and the amount of equalization guaranteed by the state].~~

~~[(b) If the district chooses to raise local funds in an amount less than that required to receive the full state equalization entitlement, the amount of state aid shall be reduced in proportion to the amount of local funds actually raised by the district.]~~

“Sec. 16.304. PAYMENT OF STATE AID; LIMITATION. (a) The state’s equalization aid for program enrichment shall be paid from the Foundation School Fund pursuant to regulations of the State Board of Education.

“(b) If the amount of state aid required by this subchapter exceeds \$135 million ~~[\$50 million]~~ per year for the 1977-1978 or 1978-1979 ~~[1975-1976 or 1976-1977]~~ school year, the amount of state equalization aid guaranteed to each district shall be reduced proportionately until the total amount of funds required equals \$135 million ~~[\$50 million]~~. ~~[Each district’s required local share shall also be reduced in proportion to the amount by which the state’s share is reduced.]”~~

Sec. . Section 20.03, Texas Education Code, as amended, is amended to read as follows:

“Sec. 20.03. ASSESSMENT OF PROPERTY; TAX RATES. (a) Notwithstanding a provision of general or local law to the contrary, a school district required by law or contract to use the tax office of another taxing unit may adopt its own assessment ratio and tax rate. The district shall use the appraised values determined by the office required by law or contract to assess its taxes, but may impose taxes on the basis of a different proportion of market value than that of the taxing unit administering the tax office.

“(b) A school district may not levy a tax for the maintenance and operation of its schools which would generate an amount of local maintenance revenues in excess of the amount determined by multiplying an index rate of \$1.40 per \$100 of the total market value of the district’s taxable property as determined by the School Tax Assessment Practices Board for the year on which the local fund assignment is based. Provided, however, that for the 1977-1978 and 1978-1979 school years the total market value of the district’s taxable property shall be that determined by the Governor’s Office, Education Resources.

“(c) After a board of equalization approves and certifies a tax roll for a school district’s tax purposes, the assessor for the district shall subtract from the total assessed value of all property on the roll the assessed value of property added to the roll since the preceding tax year by annexation of territory, the assessed value of all improvements made after January 1 of the preceding tax year, and increased values resulting from systematic reappraisal. The assessor shall then calculate the tax rate that, if applied to the total assessed value remaining after subtracting the assessed value of annexed property and new improvements and increases resulting from systematic reappraisal, would impose the same total dollar amount of taxes that the district imposed in the preceding year, shall publicize that rate in a manner reasonably designed to come to the attention of all residents of the district, and shall submit the rate to the board of trustees for the district.

“(d) The board of trustees for a school district may not adopt a tax rate that exceeds the rate calculated and announced under Subsection (c) of this section until it has given public notice of its intention to adopt a higher rate in a manner reasonably designed to come to the attention of all residents of the district and has held a public hearing on the proposed tax increase. The hearing may not be before the sixth day after the date notice is given under this subsection.

"(e) The assessor for each school district shall prepare and mail a notice to each person in whose name the property is listed on the tax roll, or to his authorized agent, in the event such person's property values are increased as a result of reappraisal. Such tax notice shall contain the following information:

"(1) the prior tax year's appraised value, assessed value, tax rate, and dollar amount of tax;

"(2) the current tax year's appraised value, assessed value, tax rate, and dollar amount of tax.

"(f) The assessor for each school district shall prepare and mail a tax bill to each person in whose name the property is listed on the tax roll or to his authorized agent. The assessor shall mail tax bills by October 1 or as soon thereafter as practicable.

"(g) The tax bill or a separate statement accompanying the tax bill shall:

"(1) identify the property subject to the tax;

"(2) state the appraised value and assessed value of the property;

"(3) if the property is designated for agricultural use, state the market value and assessed value for purposes of deferred taxation;

"(4) state the assessment ratio for the school district;

"(5) state the type and amount of any partial exemption applicable to the property;

"(6) state the total tax rate for the school district;

"(7) state the amount of tax due and the due date; and

"(8) state the rates of penalty and interest imposed for delinquent payment of the tax.

[In common school districts the appraised value of taxable property shall be the same as that used for state and county purposes; but the property may be assessed at a percentage of appraised value other than that used for state and county purposes if that action has been authorized at an election held for that purpose. In all other school districts such value may be appraised and assessed on any basis authorized or permitted by any applicable laws.]"

Sec. . Chapter 11, Texas Education Code, as amended, is amended by adding Subchapter F to read as follows:

"SUBCHAPTER F. SCHOOL DISTRICT TAX ASSESSMENT PRACTICES BOARD

"Sec. 11.71. PURPOSE. It is the policy of this state to ensure equity among taxpayers in the burden of school district taxes and among school districts in the payment of state financial aid to schools. The purpose of this subchapter is to promote that equity by providing for uniformity in the tax appraisal and assessment practices and procedures of school district tax offices, for improvement in the administration and operation of school district tax offices, and for greater competence among persons appraising and assessing school districts' taxes.

"Sec. 11.72. SCHOOL TAX ASSESSMENT PRACTICES BOARD. (a) The school tax assessment practices board is established. The board consists of six members appointed by the governor with the advice and consent of the senate. A vacancy on the board is filled in the same manner for the unexpired portion of the term.

"(b) Members of the board hold office for terms of six years, with the terms of two members expiring on March 1 of each odd-numbered year. In making the initial appointments, the governor shall designate two members for terms expiring on March 1, 1979, two members for terms expiring on March 1, 1981, and two members for terms expiring on March 1, 1983.

"(c) To be eligible to serve on the board, a person must have been a resident of this state for at least five years.

"(d) After March 1, 1983, at least two members shall be certified by the Board of Tax Assessor Examiners pursuant to Section 18 of the Texas Assessors Registration and Professional Certification Act.

"(e) A majority of the board constitutes a quorum.

"(f) The governor shall designate one of the members of the board to serve as chairman for a term, in that capacity, of two years expiring on March 1 of each odd-numbered year.

"(g) The board shall maintain a principal office in Austin.

"(h) The board shall meet at least once in each calendar quarter and may meet at other times at the call of the chairman or as provided by the rules of the board. Within 30 days after appointment of the members, the governor shall call an organizational meeting of the board.

"(i) A member of the board may not receive compensation for his service on the board but is entitled to reimbursement for actual and necessary expenses, as provided by legislative appropriation, incurred while on travel status in the performance of official duties.

"Sec. 11.73. BOARD PERSONNEL. (a) The board shall employ an executive director who shall administer board operations as directed by the board.

"(b) The director may employ professional, clerical, and other personnel to assist him in the performance of his duties.

"Sec. 11.74. POWERS AND DUTIES GENERALLY. (a) The board shall adopt rules establishing minimum standards for the administration and operation of an office engaged in appraising and assessing property for school taxation. The minimum standards for a tax office may vary according to the number of parcels and the kinds of property the office is responsible for appraising and assessing.

"(b) The board may require from each office engaged in appraising and assessing property for school taxation an annual report, on a form prescribed by the board, on the administration and operation of the office.

"(c) The board may contract with consultants to assist in performance of the duties imposed by this subchapter.

"Sec. 11.75. TRAINING AND EDUCATION OF APPRAISERS AND ASSESSORS. (a) The board shall conduct, sponsor, or approve courses of instruction and inservice and intern training programs on the technical, legal, and administrative aspects of property taxation.

"(b) The board shall cooperate in developing curricula with other public agencies, with educational institutions, and with private organizations interested in training and educating appraisers or assessors, and the board may cooperate with them in conducting or sponsoring courses of instruction and training programs.

"(c) A school district shall reimburse the chief appraiser of an office responsible for appraising and assessing property for school taxation for all actual and necessary expenses, tuition and other fees, and costs of materials incurred in attending, with approval of the superintendent for the district, a course or training program that is required by Section 11.76 of this code.

"Sec. 11.76. TRAINING SCHEDULE FOR SCHOOL APPRAISERS AND ASSESSORS. The board shall establish by rule a minimum annual number of hours of education and training for a chief administrator of an office appraising and assessing property for school taxes who does not hold a certificate issued by the Board of Tax Assessor Examiners pursuant to Section 18 of the Texas Assessors Registration and Professional Certification Act.

"Sec. 11.77. APPRAISAL MANUALS AND OTHER MATERIALS. (a) The board shall prepare and issue:

"(1) a general appraisal manual;

"(2) special appraisal manuals;

"(3) cost, price, and depreciation schedules, with provision for inserting local market index factors and with a standard procedure for determining local market index factors;

"(4) news and reference bulletins;

"(5) annotated digests of all laws relating to property taxation; and

"(6) a handbook of all rules promulgated by the board relating to the property tax and its administration.

"(b) The board shall revise or supplement all materials periodically, as necessary, to keep them current.

"(c) The board shall provide without charge all materials to officials of offices engaged in appraising and assessing property for school taxation. It shall make the materials available to members of the public but may charge a reasonable fee to offset the costs of printing and distributing the materials.

"Sec. 11.78. SANCTION FOR NONCOMPLIANCE. (a) After December 31, 1982, the board shall recommend to the State Board of Education that a school district be declared ineligible for state financial aid if the office appraising and assessing property for the district's tax purposes:

"(1) does not comply with the minimum standards for administration and operation of the office established pursuant to Section 11.74 of this code; or

"(2) is not administered by a person in compliance with Section 11.76 of this code.

"(b) After September 1, 1979, and before January 1, 1983, the board shall recommend to the State Board of Education that a school district be declared ineligible for state financial aid if the chief administrator of the office appraising and assessing property for the district's tax purposes:

"(1) does not hold a certificate issued by the Board of Tax Assessor Examiners as provided by Section 18 of the Texas Assessors Registration and Professional Certification Act;

"(2) has held the position for more than one year; and

"(3) has failed to complete successfully the minimum amount of education and training required under Section 11.76 of this code.

"(c) After January 1, 1978, the board shall recommend to the State Board of Education that a school district be declared ineligible for state financial aid if the district has unreasonably failed to file a completed report required by the board under Section 11.82 of this code.

"Sec. 11.79. DETERMINATION OF NONCOMPLIANCE. (a) If the board recommends to the State Board of Education that a school district be declared ineligible for state financial aid under Section 11.78 of this code, the board shall notify the presiding officer of the district's board of trustees, the district's superintendent, and the chief administrator of the office appraising and assessing property for the district of its recommendation. The notice shall be delivered by certified mail, return receipt requested, and shall state the grounds for the board's recommendation.

"(b) A district is entitled to petition the State Board of Education for a hearing within 60 days after delivery of the notice to contest the recommendation or to show that it has substantially remedied the cause stated as grounds for the recommendation.

"(c) If after opportunity for a hearing the State Board of Education finds that the district is ineligible for state financial aid under Section 11.78 of this code, the board shall certify its finding to the commissioner of education.

"(d) At any time after a school district has been found ineligible for state aid by the State Board of Education, the district may submit evidence that it has substantially remedied the cause of its ineligibility. Within 30 days after receipt of a submission under this subsection, the board shall hold a hearing to determine

whether the district has become eligible for state financial aid. The board may find that a district has become eligible for state financial aid without a hearing. If the board finds that a district has become eligible for state financial aid, it shall certify its finding to the commissioner of education and to the School Tax Assessment Practices Board.

"(e) After receipt of a certification that a school district is ineligible for state financial aid, the commissioner of education may not approve payment of aid to the district until he receives a certification that the district has become eligible. If a district becomes eligible for state financial aid during a fiscal year, the commissioner of education may approve payment of all aid to which the district is entitled for that year, but the commissioner may not approve payments of state aid for a prior fiscal year in which a district was found ineligible for state aid.

"(f) A decision by the State Board of Education under this section may be appealed as provided in Section 19, Administrative Procedure and Texas Register Act.

"Sec. 11.80. SCHOOL DISTRICT WITHDRAWAL FROM NONCOMPLYING TAX OFFICE. (a) A school district that is required by law or contract to impose property taxes on the basis of values determined by the assessor and board of equalization for a county or any other taxing unit other than the district may contract with some other taxing unit to appraise and assess property for its tax purposes if, because the office appraising and assessing property for the district's taxes refuses to comply or is unreasonably delaying compliance with the requirements of this subchapter, the district will lose its eligibility for state financial aid.

"(b) A school district seeking to withdraw from a tax office pursuant to Subsection (a) of this section may petition the board for a determination of its eligibility to do so if the board has not yet found that the tax office is not in compliance with this subchapter. On receipt of the petition the board shall notify the office from which the district seeks to withdraw and hold a hearing. The board shall make a final determination within 90 days after the date the petition is filed.

"(c) If the board has found a district's tax office is not in compliance with this subchapter, the district may withdraw from a tax office pursuant to Subsection (a) of this section without a board determination.

"Sec. 11.81. CONTRACT WITH COMPLYING OFFICE. If a school district that operates its own tax office is found ineligible for state financial aid under this subchapter, the district may contract with any other tax office that is in compliance with this subchapter to appraise and assess property for the district's tax purposes.

"Sec. 11.82. REPORTS OF SCHOOL DISTRICT VALUES. (a) Each office assessing property for school district taxes shall file an annual report listing the total market value and the total assessed value of all taxable property in the district and other information required by the board.

"(b) The report shall be on a form prescribed by the board and shall be delivered to the board before a date prescribed by the board.

"Sec. 11.83. EXPLANATION OF TAXPAYER REMEDIES. The board shall prepare and publish a pamphlet explaining the remedies available to dissatisfied taxpayers and the procedures to be followed in seeking remedial action. It shall include in the pamphlet advice on preparing and presenting a protest.

"Sec. 11.84. PROPERTY TAX FORMS AND RECORDS SYSTEMS. (a) The board shall prescribe the contents of all forms necessary for the administration of the property tax system for offices engaged in appraising and assessing property for school district tax purposes and, on request, shall furnish sufficient copies of model forms of each type to the appropriate local officials. The board may require reimbursement from the office appraising and assessing property for school district

purposes or from the school district for the costs of printing and distributing the forms.

“(b) The board shall make the contents of the forms uniform to the extent practicable but may prescribe or approve additional or substitute forms for special circumstances.

“(c) The board shall also prescribe a uniform record system to be used by all offices appraising or assessing property for school district tax purposes.

“Sec. 11.85. PROFESSIONAL AND TECHNICAL ASSISTANCE. (a) The board may provide professional and technical assistance, at the request of a chief appraiser or the governing body of a school district, in appraising property, installing or updating tax maps, purchasing equipment, developing recordkeeping systems, or performing other appraisal activities. The board may also provide professional and technical assistance, on request, to a board of equalization reviewing values assigned for school district tax purposes. The board shall require reimbursement for the costs of providing the assistance.

“(b) The board may provide information to and consult with persons actively engaged in appraising and assessing property for school district tax purposes about any matter relating to property taxation for school districts without charge.

“Sec. 11.86. DETERMINATION OF SCHOOL DISTRICT INDEX VALUES. (a) The board shall conduct a biennial study using comparable sales and other generally accepted techniques to determine the total market value and index value of property in each school district. The study shall determine the market value of all property and of each class of property within the district and the productivity value of all open-spaced land generally available for the production of farm crops or forest products and for the raising of livestock within each district. In addition, the board shall estimate the productivity value of open-space land exclusively devoted to or developed for agricultural purposes, as defined by the board. In conducting the studies, the board shall use appropriate standard valuation, statistical compilation, and analysis techniques to compute the total market value and productivity value. For the purposes of this section, ‘index value’ means total market value less:

“(1) the total dollar amount of any exemptions of part but not all of the value of taxable property required by the constitution or a statute that a district lawfully granted in the year that is the subject of the study; and

“(2) the difference between the market value and the productivity value of open-space land as determined by the board, which shall use the methodology developed and used by the Governor’s Office, Education Resources. In no event shall the productivity value exceed the fair market value of the land.

“(b) The study shall determine the values as of January 1 of each odd-numbered year.

“(c) The board shall publish preliminary findings, listing values by district, before September 1 of each even-numbered year and on that date it shall certify its findings to the commissioner of education.

“(d) A school district may protest the board’s findings within 30 days after the date on which the findings are certified to the commissioner by filing a petition with the board specifying the grounds for its objection. After receipt of a petition, the board shall hold a hearing. If after a hearing the board concludes that its findings should be changed, the board shall order the changes it finds appropriate and shall certify the changes to the commissioner of education. The board shall complete all protest hearings and certify all changes before January 1 of each odd-numbered year.

“(e) A school district may appeal a determination of a protest by the board to the state district court within whose jurisdiction a majority of the area making up the school district is located.

"Sec. 11.87. CONFIDENTIALITY. (a) All information the board obtains from a person, other than a government or governmental subdivision or agency, under an assurance that the information will be kept confidential, in the course of conducting a study of school district values is confidential and may not be disclosed except as provided in Subsection (b) of this section.

"(b) Information made confidential by this section may be disclosed:

"(1) in a judicial or administrative proceeding pursuant to a lawful subpoena;

"(2) to the person who gave the information to the board; or

"(3) for statistical purposes if in a form that does not identify specific property or a specific property owner.

"Sec. 11.88. FUNDING. In order to carry out the provisions of this subchapter, the legislature shall appropriate funds, not to exceed \$4 million for the biennium ending August 31, 1979, to the board for the administration of the board."

Sec. . Subchapter C, Chapter 20, Texas Education Code, is amended by adding Section 20.53 to read as follows:

"Sec. 20.53. AUTHORITY TO CHARGE FEES. (a) A school board is authorized to require payment of fees in the following areas:

"(1) in any program where the resultant product in excess of minimum requirements and at the pupil's option becomes the personal property of the pupil, not to exceed cost of materials;

"(2) membership dues in student organizations or clubs and admission fees or charges for attending extracurricular activities when membership or attendance is voluntary;

"(3) a security deposit for the return of materials, supplies, or equipment;

"(4) personal physical education and athletic equipment and apparel, although any pupil may provide his or her own if it meets reasonable requirements and standards relating to health and safety established by the school board;

"(5) items of personal use or products which a student may purchase at his or her own option such as student publications, class rings, annuals, and graduation announcements;

"(6) fees specifically permitted by any other statute;

"(7) any authorized voluntary student health and accident benefit plan;

"(8) a reasonable fee not to exceed the actual annual maintenance cost for the use of musical instruments and uniforms owned or rented by the district;

"(9) items of personal apparel which become the property of the student and which are used in extracurricular activities;

"(10) parking fees and fees for identification cards;

"(11) driver training courses, provided that such fees shall not exceed the difference between the average statewide cost per student in the programs for the prior school year or the actual district cost per student in such programs for the current school year, whichever is less, and the payment per student from state funds for such programs; or

"(12) courses offered for credit where the activity necessitates the use of facilities not available on the school premises, and participation in the course is optional on the part of the student.

"(b) A school board is not authorized to charge fees in the following areas:

"(1) textbooks, workbooks, laboratory supplies, or other supplies necessary for participation in any instructional course except as authorized under this code;

"(2) field trips which are required as a part of a basic education program or course;

"(3) any specific form of dress necessary for any required educational program or diplomas;

"(4) instructional costs for necessary school personnel employed in any course or educational program required for graduation;

"(5) library books required to be utilized for any educational course or program, except that fines may be assessed for lost, damaged, or overdue books;

"(6) admission fees, dues, or fees for any activity the pupil is required to attend as a prerequisite to graduation;

"(7) any admission or examination cost for any required educational course or program; or

"(8) lockers.

"(c) The State Board of Education pursuant to administrative procedures and consistent with the general policy of this state shall have the power to specify further authorized and prohibited fees and to adopt rules and regulations for the purposes of such policies.

"(d) Students may be required to furnish personal or consumable items including pencils, paper, pens, erasers, and notebooks.

"(e) This section does not preclude the operation of a school store wherein pupils may purchase school supplies and materials.

"(f) A school district shall adopt reasonable procedures for waiving a deposit or fee if a pupil and his or her parent or guardian is unable to pay it. This policy shall be posted in a central location in each school facility, in the school policy manual, and in the student handbook.

"(g) This section shall not be construed to prohibit a school board from charging reasonable fees for goods and services provided in connection with any postsecondary instructional program, including but not limited to vocational-technical, adult, veterans, continuing education, community services, evening school, and general educational development programs."

Sec. . Section 11.01, Texas Education Code, is amended to read as follows:

"Sec. 11.01. COMPOSITION AND PURPOSE. The State Board of Education, the State Board for Vocational Education, the state commissioner of education, the School Tax Assessment Practices Board, and the State Department of Education shall comprise the Central Education Agency. It shall carry out such educational functions as may be assigned to it by the legislature, but all educational functions not specifically delegated to the Central Education Agency shall be performed by county boards of education or district boards of trustees."

Sec. . Chapter 11, Texas Education Code, as amended, is amended by adding Section 11.103 to read as follows:

"Sec. 11.103. COORDINATION OF SERVICES TO HANDICAPPED CHILDREN. (a) In this section 'handicapped children' has the meaning defined in Section 16.104(b) of this code.

"(b) The commissioner of education, with the approval of the State Board of Education, shall develop and implement a plan for the coordination of services to handicapped children within each geographical area served by a regional education service center. The plan shall include, but may not be limited to, procedures for:

"(1) identifying existing public or private educational and related services for handicapped children in each region;

"(2) identifying and referring handicapped children who cannot be appropriately served by the school district in which they reside to other appropriate programs;

"(3) assisting school districts individually and cooperatively to develop programs to identify and provide appropriate services for handicapped children;

"(4) expanding and coordinating services provided by regional education service centers which are related to programs for handicapped children; and

"(5) providing for special services such as special seats, books, instructional media, and other supplemental supplies and services required for quality instruction.

"(c) The commissioner may allocate appropriated funds to regional education service centers, and may otherwise expend those funds, as necessary, to implement the provisions of this section."

Sec. . Section 11.052, Texas Education Code, as added, is amended to read as follows:

"Sec. 11.052. ~~[DIRECTOR OF]~~ EDUCATION FOR THE VISUALLY HANDICAPPED. (a) The Central Education Agency shall develop and administer ~~[With the approval of the State Board of Education, the commissioner of education shall appoint a Director of Education for the Visually Handicapped, who together with not less than three nor more than five qualified coordinators shall be primarily responsible for the development and administration of]~~ a comprehensive statewide plan for the education of the visually handicapped which will ensure that visually handicapped children have an opportunity for achievement equal to the opportunities afforded their peers with normal vision.

"(b) The Central Education Agency ~~[director]~~ shall be responsible for:

"(1) the development of standards and guidelines for all special education services for the visually handicapped which it ~~[the Central Education Agency]~~ is authorized to provide or support pursuant to the provisions of this code, including matters related to standards and accreditation;

"(2) the supervision of such field offices as might from time to time be established to assist local school districts in serving visually handicapped children more effectively;

"(3) the development and administration of special programs for children handicapped by both serious visual loss and serious hearing loss;

"(4) the evaluation of special education services provided for visually handicapped children by local school districts and the approval or disapproval of state funding of such services;

"(5) the maintenance of effective liaison between special education programs provided for the visually handicapped by local school districts and related initiatives exerted by the Governor's Coordinating Office for the Visually Handicapped, the State Commission for the Blind, the Department of Mental Health and Mental Retardation, the School for the Blind, and other related programs, agencies, or facilities as appropriate; and

"(6) the furnishing of such reports, data, statistical information, and perceptions as might be required by the Governor's Coordinating Office for the Visually Handicapped in order to validly measure and assess the impact of all educational programs affecting the blind and visually handicapped of the state, including programs of higher education funded to provide necessary manpower for this field.

"(c) The minimum components of the comprehensive statewide plan for the education of the visually handicapped ~~[developed, administered, and coordinated by the director and his staff]~~ shall include but not be limited to the following:

"(1) adequate provision for comprehensive diagnosis and evaluation of each school-age child having a serious visual impairment;

"(2) procedures, format, and content of the individualized written service plan for each such visually handicapped child;

"(3) emphasis on providing educational services to visually handicapped children in their home communities whenever possible;

"(4) methods to assure that visually handicapped children receiving special education services in local school systems receive, prior to being placed in a classroom setting or within a reasonable time thereafter, the compensatory skills training, communicative skills, orientation and mobility training, social adjustment skills, and vocational or career counseling required in order for such students to succeed in classroom settings and to derive lasting benefits of a practical nature from the education obtained in local school systems;

"(5) flexibility on the part of the local school systems to meet the special needs of visually handicapped children through:

- “(A) specialty staff and resources provided by the local school district;
 - “(B) contractual arrangements with other qualified agencies, either public or private;
 - “(C) supportive assistance from regional service centers, field offices of the Central Education Agency, or adjacent school districts;
 - “(D) short-term or long-term services through the Texas School for the Blind or related types of facilities or programs;
 - “(E) other instructional and service arrangements approved by the agency ~~(director)~~; or
 - “(F) any combination of the foregoing;
 - “(6) a statewide admission, review, and dismissal process;
 - “(7) provision for effective interreaction between the visually handicapped child's classroom setting and his home environment, including provision for parental training and counseling either by local school personnel or by representatives of other organizations directly involved in the development and implementation of the individualized written service plan for the child;
 - “(8) a requirement for the continuing education and professional development of local school district staff providing special education services to the visually handicapped;
 - “(9) adequate monitoring and precise evaluation of special education services provided to visually handicapped children through local school districts; and
 - “(10) a requirement that local school districts providing special education services to visually handicapped children develop procedures for assuring that staff assigned to work with the visually handicapped children have prompt and effective access directly to resources available through cooperating agencies in the area, through the Texas School for the Blind, through the Central Media Depository, the Comprehensive Diagnostic and Evaluation Center, sheltered workshops participating in the state program of purchases of blind-made goods and services, and related types of resources.
- “(d) In developing, administering, and coordinating the statewide plan for the education of the visually handicapped, the agency shall ~~it shall be the duty of the director to~~ encourage the use of all pertinent resources, whether such resources exist in special education programs or in closely related programs operated by other public or private agencies, through encouraging the development of cooperative working relationships and by assisting in the development of contractual arrangements between local school districts and other organizations, and it shall be the duty of the agency ~~(director)~~ to discourage interagency competition, overlap, and duplication in the development of specialized resources and the delivery of services.”

Sec. . Subsections (o), (q), (s), and (t), Section 11.10, Texas Education Code, as amended, are amended to read as follows:

“(o) To carry out legislative intent and the objectives of subsections (n) and the following subsections of this Section 11.10, the Central Education Agency shall ~~employ a Director of Deaf Education (at a salary not exceeding \$30,000) with the responsibility to~~ develop and administer a comprehensive statewide plan for deaf education services including continuing diagnosis and evaluation, counseling and teaching, and designed to accomplish the following objectives:

“(1) Assisting and counseling parents of children of any age whose hearing is determined by professionally acceptable evaluation to be nonfunctional for education purposes, such assistance and counseling to be provided in each of the regional day school programs for the deaf hereinbelow authorized, and admitting all children between the ages of three and 21 whose hearing is determined by professionally acceptable evaluation to be nonfunctional for educational purposes to the regional day school programs for the deaf; and

"(2) Enabling a majority or as many as may be practicable of deaf children to reside with their parents or guardians and be afforded compensatory education in their home school districts or in facilities of regional day school programs for the deaf; and

"(3) Enabling deaf children who are unable to attend schools at their place of residence and whose parents or guardians live too far from facilities of regional day school programs for the deaf for daily commuting or to be accommodated five nights a week in foster homes or other residential school facilities provided for by the Central Education Agency in order that such children may attend a regional day school program for the deaf; and

"(4) Enrolling children in the Texas School for the Deaf at Austin or any other educational facility for the deaf ~~[upon the joint recommendations of the Director of Deaf Education, the superintendent of the child's regional day school program for the deaf, and the Superintendent of the Texas School for the Deaf at Austin, admitting to the Texas School for the Deaf]~~ only those children whose needs can best be met in that institution, designating the Texas School for the Deaf as the principal regional school for the central region of the state ~~[and Superintendent of the Texas School for the Deaf as the superintendent of the central region]; and~~

"(5) Encouraging children enrolled in regional day school programs for the deaf who have demonstrated ability to do so to return to regular school classes on a part-time, full-time or trial basis. Supplemental aid from the regional day school program for the deaf shall be made available to such children; and

"(6) Recognizing the need for development of oral communications abilities in deaf children and the ability of many to achieve high educational excellence through that method, but also recognizing the inability of some to gain their education successfully by this means, the comprehensive plan developed by the Central Education Agency will call for the use of methods of communication which will best meet the needs of each individual deaf child in this state, with each child to be examined thoroughly so as to ascertain his potential for communications through oral means. The Central Education Agency ~~[state director and regional superintendents]~~ may establish separate programs to accommodate diverse communication methodologies."

"(q) ~~[The Central Education Agency shall employ a superintendent for each regional day school program for the deaf. These superintendents shall be responsible to the Director of Deaf Education of the Central Education Agency.]~~ It is the intent of the legislature that local resources be utilized to the fullest practicable extent in the establishment and operation of the regional day school programs for the deaf. The Central Education Agency is ~~[Regional superintendents are]~~ authorized and expected to contract with any qualified public or private organization or qualified individuals for diagnostic, evaluation and instructional services or any other services incidental to the education of deaf children, including transportation and/or maintenance.

"~~The [Upon the recommendation of regional superintendents of the regional day school programs for the deaf the]~~ Central Education Agency shall employ educational and other personnel, may purchase or lease real or personal property, may accept gifts or grants of real or personal property or services from any source, public or private, including independent school districts and any institution of higher learning in this state, for the purpose of establishing and operating regional day school programs for the deaf.

"The Central Education Agency may provide by rule or regulation that upon establishment of each regional school the countywide school(s) in that region shall become a part of the regional school operation and that all equipment, classroom supplies, and other personal property owned by the countywide schools shall become the property of the regional day school. When any such programs are combined, the

directors and employees of the former countywide schools shall be employed in appropriate, substantially similar capacities within the regional day school program for that region."

"(s) Operating costs for the program in each regional day school program for the deaf shall be determined and paid on the following basis:

"(1) An estimated allocation of \$2,700 for each student enrolled in the program of the regional day school program for the deaf in any current year.

~~[(2) Considering that the professional leadership represented in the new positions of Director of Deaf Education and regional superintendents is vital to the effect of this Act, salaries for these positions shall permit recruitment and retention of properly qualified persons.]~~

"(2) ~~[(3)]~~ Teachers, principals, supervisors, counselors, para-professional and supporting personnel shall be employed in such numbers as the Central Education Agency finds to be necessary to establish and operate the regional day school programs for the deaf, and such numbers shall not be less than student-professional ratios known to be requisite for success in education of deaf children. Salaries of all personnel employed in the regional day school programs for the deaf shall be determined in accordance with policies established by the State Board of Education.

"(t) To assure effective implementation of this Act the Central Education Agency shall upon the passage of this Act institute planning and research designed to accomplish the intent and objectives set forth herein including employment of ~~[the Director of Deaf Education and other]~~ personnel considered essential to meet the operational date specified for this Act."

Sec. . Section 11.32, Texas Education Code, as amended, is amended to read as follows:

"Sec. 11.32. REGIONAL EDUCATION SERVICE [MEDIA] CENTERS.

(a) The State Board of Education shall provide, by rules and regulations, for the establishment and operation of Regional Education Service [Media] Centers to provide educational services to the school districts and to coordinate educational planning in the region ~~[furnish participating school districts with education media materials, equipment and maintenance, and educational services].~~

~~[(b) Centers approved by the Central Education Agency as meeting the Board of Education requirements are established for the purpose of developing, providing and making available to participating school districts, among other education media services, the following:~~

~~[(1) lending library service for educational motion picture films, 16 mm and 8 mm or improvements thereof, with such processing and servicing of films as is needed to maintain the library;~~

~~[(2) lending library service for 35 mm slides, or improvements thereof, filmstrips, and disc recordings;~~

~~[(3) comprehensive lending library collection of programmed instruction materials for both remedial and enrichment purposes;~~

~~[(4) educational magnetic tape duplicating service for both audio and visual tapes, with the agency central duplicating faculty servicing the regional centers for program materials;~~

~~[(5) overhead and other projection transparency duplicating service to provide visuals from prepared master copies; and~~

~~[(6) professional and other services to assist schools in effective and efficient utilization of all center materials and services.]~~

"(b) ~~[(c)]~~ Regional centers shall be located throughout the state so that each school district has the opportunity to be served and to participate in an approved center, on a voluntary basis. No center shall be approved unless it serves an area having 50,000 or more eligible scholastics in average daily attendance for the next preceding school year, except that the State Board of Education ~~[Central Education Agency]~~ may make an exception for sparsely populated areas.

~~“(d) A Regional Education Media Center is an area center, composed of one or more Texas school districts, that is approved to house, circulate, and service educational media for the public schools of the participating districts.”~~

~~“(c) [(e)] Each center shall be governed by a [five or] seven-member board. [The board size shall be determined locally and recommended in the initial application for center approval.] The State Board of Education shall adopt uniform rules and regulations to provide for the local selection, appointment, and continuity of membership for regional [center] boards of directors. Vacancies shall be filled by appointment by the remaining members of the regional board for the unexpired term. All members shall serve without compensation.”~~

~~“(d) [(f)] The Regional [Media] Board of Directors is authorized to employ an executive director for its respective center and such other personnel, professional and clerical, as it deems necessary to carry out the functions of the center, and to do and perform all things which it deems proper for the successful operation thereof, and to pay for all operating expenses by warrants drawn on proper funds available for such purpose.”~~

~~“(e) The Regional Board of Directors of each Regional Education Service Center, under rules of the State Board of Education, may enter into contracts for grants from both public and private organizations and to expend such funds for the specific purposes in accordance with the terms of the contract with the contracting agency.”~~

~~“(f) Basic costs for the provision of regional education services to school districts and coordination of educational planning in the region and for administrative costs necessary to support these services shall be paid from the Foundation School Fund. Each Regional Education Service Center shall receive an annual allotment of \$200,000, with the remainder of the funds available under the provisions of this subsection to be allocated to the Regional Education Service Centers on the basis of the average daily attendance within the area of operation for each Regional Education Service Center as determined for the next preceding school year. The allotment amounts here authorized to be granted by the State Board of Education shall not exceed in any year a sum equal to .45 percent multiplied by the following specified elements of cost contained in the Foundation School Program for the current school year: salaries, maintenance and operation, vocational operating costs, transportation-regular, transportation-special education, transportation-vocational education, agency administration, other special education programs, vocational contract services, bilingual education, preschool non-English speaking, preschool deaf, compensatory education, driver education, and minimum aid.”~~

~~“(g) Each Regional Education Service Center, within each five-year period shall:~~

~~“(1) perform a self-study of the effectiveness of its services to school districts;~~

~~“(2) invite a panel of distinguished personnel from other service centers, public school administrators, and other persons deemed appropriate by the service center board to evaluate the practices and services provided by the service center; and~~

~~“(3) be subject to a management and service audit conducted by the Central Education Agency.”~~

~~“(g) Any school district which is a participant member of a Regional Education Media Center may elect to withdraw its membership in the center for a succeeding scholastic year, electing not to support nor to receive its services for any succeeding year. Title to and all educational media and property purchased by the center shall remain with and in the center.”~~

~~“(h) The Central Education Agency, through its audit and accreditation divisions, shall review for purposes of continuity and standardization the services of the centers.”~~

~~(i) The cost incident to setting up the centers, their operation, and the purchase of education media supplies and equipment shall be borne by the state and each participating district to the extent and in the manner provided in this section.~~

~~(j) The state shall allot and pay to each approved center annually an amount determined on the basis of not to exceed \$1 per scholastic in average daily attendance for the next preceding school year in the district or districts that are participants in an approved center. The funds or amount provided by the state shall be used only to purchase, maintain, and service educational media or equipment for the center which have had prior approval of its Regional Media Board and the Central Education Agency through its budgetary system.~~

~~(k) School districts as participant members in the center shall provide and pay to the proper center a proportionate amount determined on its ADA for the next preceding school year matching the amount provided by the state. The matching funds provided by the participant districts, including any donated or other local source funds, may be used to pay for costs of administration of and/or servicing by the center and to purchase supplemental educational media. A center shall not enter into obligations which shall exceed funds available and/or reasonably anticipated as receivable for the current school year.~~

~~(l) Annually, pursuant to such regulations and procedure as may be prescribed by the agency, the governing board of each center shall determine the rate per pupil based on ADA the next preceding school year, not to exceed the \$1 limit prescribed in this section, which shall constitute the basis for determination of total amount to be transmitted by participant districts to the center and as matching funds from the state's contribution to this program.~~

~~(m) The state's share of the cost in the Regional Education Media Centers program herein authorized shall be paid from the minimum foundation school program fund, and this cost will be considered by the Foundation Program Committee in estimating the funds needed for foundation program purposes. Nothing in this section shall be construed to prohibit a center from receiving and utilizing matching funds in any amount for which it may be eligible from federal sources.]~~

Sec. . Section 11.33, Texas Education Code, as amended, is amended to read as follows:

"Sec. 11.33. GENERAL POWERS AND DUTIES OF REGIONAL EDUCATION SERVICE CENTERS. (a)(1) Regional Education Media Centers shall be established and operated by Regional Education Service Centers under rules of the State Board of Education in order to furnish participating school districts with education media materials, equipment and maintenance, and educational services.

"(2) Centers approved by the State Board of Education as meeting their requirements shall develop, provide, and make available to participating school districts education media services.

"(3) A Regional Education Media Center is an area center, composed of one or more Texas school districts, that is approved to house, circulate, and service educational media for the public schools of the participating districts.

"(4) Any school district which is a participant member of a Regional Education Media Center may elect to withdraw its membership in the center for a succeeding scholastic year, electing not to support nor to receive its services for any succeeding year. Title to and all educational media and property purchased by the center shall remain with and in the center.

"(5) The cost incident to setting up the centers, their operation, and the purchase of education media supplies and equipment shall be borne by the state and each participating district to the extent and in the manner provided in this subsection.

"(6) The state shall allot and pay to each approved center annually an amount determined on the basis of not to exceed \$1 per scholastic in average daily attendance for the next preceding school year in the district or districts that are participants in an approved center. The funds or amount provided by the state shall be used only to purchase, maintain, and service educational media or equipment for the center which have prior approval of its Regional Board of Directors and the State Board of Education through its budgetary system.

"(7) School districts as participant members in the center shall provide and pay to the proper center a proportionate amount determined on the basis of the average daily student attendance for the next preceding school year matching the amount provided by the state. The matching funds provided by the participant districts, including any donated or other local funds, may be used to pay for costs of administration of or servicing by the center and to purchase supplemental educational media. A center shall not enter into obligations which shall exceed funds available or reasonably anticipated as receivable for the current school year.

"(8) Annually, pursuant to such rules and procedure as may be prescribed by the State Board of Education, the governing board of each center shall determine the rate per pupil based on average daily student attendance the next preceding school year, not to exceed the \$1 limit prescribed in this subsection, which shall constitute the basis for determination of total amount to be transmitted by participant districts to the center and as matching funds from the state's contribution to this program.

"(9) The state's share of the cost in the regional media centers program shall be paid from the Foundation School Fund, and this cost will be considered by the Foundation Program Committee in estimating the funds needed for foundation program purposes. Nothing in this subsection shall be construed to prohibit a center from receiving and utilizing matching funds in any amount for which it may be eligible from federal sources.

~~[(a) The State Board of Education may provide for the establishment and a procedure for the operation of Regional Education Service Centers by rules and regulations adopted under this section and the provisions of Section 11.32, to provide educational services to the school districts and to coordinate educational planning in the region.~~

~~[(b) The governing board of each Regional Education Service Center, under rules and regulations of the State Board of Education, may enter into contracts for grants from both public and private organizations and to expend such funds for the specific purposes in accordance with the terms of the contract with the contracting agency.~~

~~[(c) Basic costs for the provision of regional education services to school districts and coordination of educational planning in the region and for administrative costs necessary to support these services shall be paid from the Foundation School Program under a formula developed by the state commissioner of education and approved by the State Board of Education. Such allotment amounts here authorized to be granted by the State Board of Education shall not exceed in any year a sum equal to \$3 multiplied by the average daily attendance in the public schools of Texas as determined for the next preceding school year.]~~

"(b)(1) [(d)] A program of financial assistance for computer services to school districts of the state through Regional Education Service Centers shall be developed by the State Board of Education to encourage a planned statewide network or system of computer services designed to meet public school educational and informational needs[~~, current and future~~]. Toward achievement of maximum efficiency and to insure a practicable uniformity in services, the State Board of Education, by rules and regulations, shall adopt eligibility requirements for data processing computer services to receive the state financial assistance authorized herein.

"(2) [(e)] Only computer services that are provided by or through a Regional Education Service Center to make available computer services required to meet the needs of the school districts of one or more Education Service Center regions shall be eligible for financial assistance hereunder.

"(3) [(4)] The State Board of Education [Central Education Agency] annually shall approve a state assistance allotment for computer services to be paid to eligible Regional Education Service Centers that qualify, and in an amount to be determined under rules and regulations adopted by the State Board of Education for that purpose; provided that the allotment amounts here authorized to be granted by the State Board of Education shall not exceed in any year a sum equal to \$1 multiplied by the average daily attendance in the public schools of Texas as determined for the next preceding school year.

"(4) [(e)] The state's share of the cost of this program authorized by this subsection [Subsections (d), (e), and (f) of this section] shall be paid from the Foundation School Fund, and this cost shall be considered by the Foundation School Fund Budget Committee in estimating the funds needed for Foundation School Program purposes.

"(c)(1) The State Board of Education shall promulgate rules, in compliance with the approved statewide design for special education, to provide for a plan for the coordination of services to handicapped children within each geographical area served by a Regional Education Service Center. Regional Education Service Centers, under the procedures set forth in this plan, may provide supplementary or technical assistance to school districts for:

"(A) identification of existing public or private educational and related services for handicapped children in each region;

"(B) identification and referral of handicapped children who cannot be appropriately served by the school district in which they reside to other appropriate programs;

"(C) assistance to school districts individually and cooperatively to develop programs to identify and provide appropriate services for handicapped children;

"(D) expansion and coordination of services provided by regional education service centers which are related to programs for handicapped children; and

"(E) provision for special services such as special seats, books, instructional media, and other supplemental supplies and services required for quality instruction.

"(2) The responsibility for carrying out the provisions of this subsection rests with the commissioner of education, who may allocate funds to regional service centers for the provision of support services for the functions described in this subsection.

"(d) Regional Education Service Centers may provide other services to school districts under rules and regulations adopted by the State Board of Education."

Sec. . Subsection (a), Section 21.008, Texas Education Code, as amended, is amended to read as follows:

"(a) Each [Beginning with the 1975-1976 school year, each] school district shall operate on the basis of a quarter system, with its schools being in operation during at least three three-month quarters during each school year and providing the required number of [180] days of instruction for students and [10 days of] inservice education and preparation for teachers, except as provided under Section 16.052(b) of this code."

Sec. . Section 12.01, Texas Education Code, is amended by adding Subsections (c) and (d) to read as follows:

"(c) Except as otherwise specifically defined in this chapter, 'textbooks' or 'books' as used herein shall mean books, systems of instructional materials, or combinations of books and supplementary instructional materials which convey information to the pupil or otherwise contribute to the learning process.

"(d) No provision of this chapter is intended to limit the selection of instructional materials purchased by a local board of education with local funds, provided such selection procedures are not in conflict with State Board of Education policies."

Sec. . Section 12.14, Texas Education Code, is amended to read as follows:

"Sec. 12.14. MULTIPLE LIST FOR ELEMENTARY GRADES. (a) As used in this section:

"(1) 'Textbooks' shall be consistent with the definition in legal use prior to the adoption of this section.

"(2) 'Learning systems' means a coordinated system of instructional materials, in one or more media, that conveys to the pupil information on a subject comparable to that contained in the approved textbooks.

"(3) 'Supplementary materials' means instructional materials, in any medium, that are used as an adjunct to a specific adopted textbook.

"(4) 'Cost per pupil served' means the cost of a textbook, learning system, or combination of text and supplementary materials, divided by the number of students that it may reasonably be used by and by the number of years it may be expected to be in use. The cost per pupil served for each item of instructional material shall be calculated by the commissioner of education. In calculating this cost, the commissioner may take into consideration the cost figures certified by the publisher, and shall consult with the appropriate curriculum departments. No district may utilize a textbook, learning system, or combination of text and supplementary materials at a higher cost per pupil served than that specified by the commissioner.

"(b) [(a)] The State Board of Education shall select and adopt a multiple list of textbooks for use in the elementary grades of the public schools of Texas.

"(c) [(b)] The multiple list shall consist of not less than three nor more than five textbooks on the following subjects: spelling, reading (basal and supplementary), English language and grammar, geography, arithmetic, physiology-hygiene, civil government, driver education and safety, vocal music, elementary science, history of the United States (in which the Confederacy shall be fairly represented), history of Texas, agriculture, a system of writing books, and a system of drawing books.

"(d) [(c)] The board may also select and adopt textbooks for any additional subjects approved by the State Department of Education for teaching in the elementary schools, including but not limited to the foreign languages of German, Bohemian, Spanish, French, Latin, or Greek.

"(e) [(d)] The board may, if deemed necessary, adopt as textbooks a geography of Texas and a civil government of Texas.

"(f) The board may select and adopt supplementary materials to be used in conjunction with approved textbooks. To qualify, the cost per pupil served of the material together with the cost per pupil served of its corresponding text must not exceed the cost per pupil served of the most expensive textbook on the textbook multiple list.

"(g) The board may select and adopt a multiple list of not less than two nor more than three learning systems in those subject areas it deems appropriate. To qualify for the list, a system must have a cost per pupil served no higher than the cost per pupil served of the most expensive textbook on the textbook multiple list.

"(h) [(e)] No book adopted shall contain anything of a partisan or sectarian character."

Sec. . Section 12.15, Texas Education Code, as amended, is amended to read as follows:

"Sec. 12.15. MULTIPLE LIST FOR HIGH SCHOOLS. (a) As used in this section:

"(1) 'Textbooks' shall be consistent with the definition in legal use prior to the adoption of this section.

"(2) 'Learning systems' means a coordinated system of instructional materials, in one or more media, that conveys to the pupil information on a subject comparable to that contained in the approved textbooks.

"(3) 'Supplementary materials' means instructional materials, in any medium, that are used as an adjunct to a specific adopted textbook.

"(4) 'Cost per pupil served' means the cost of a textbook, learning system, or combination of text and supplementary materials, divided by the number of students that it may reasonably be used by and by the number of years it may be expected to be in use. The cost per pupil served for each item of instructional material shall be calculated by the commissioner of education. In calculating this cost, the commissioner may take into consideration the cost figures certified by the publisher, and shall consult with the appropriate curriculum departments. No district may utilize a textbook, learning system, or combination of text and supplementary materials at a higher cost per pupil served than that specified by the commissioner.

"(b) ~~(a)~~ The State Board of Education shall adopt a multiple list of books for use in the high schools of Texas.

"(c) ~~(b)~~ The multiple list shall include not fewer than three nor more than five textbooks on the following subjects: algebra, plane geometry, solid geometry, general science, biology, physics, chemistry, a one-year world history, American history, homemaking, physical geography, driver education and safety, vocal music, English composition, literature (including American literature and English literature), shop courses, physiology, agriculture, civil government, commercial arithmetic, bookkeeping, typewriting, shorthand, journalism, and the Latin, Spanish, German, Czech, and French languages.

"(d) ~~(c)~~ Free textbooks may also be adopted and provided for any additional courses or subjects approved by the Central Education Agency and accredited by the state accrediting committee.

"(e) The board may select and adopt supplementary materials to be used in conjunction with approved textbooks. To qualify, the cost per pupil served of the material together with the cost per pupil served of its corresponding text must not exceed the cost per pupil served of the most expensive textbook on the textbook multiple list.

"(f) The board may select and adopt a multiple list of not less than two nor more than three learning systems in those subject areas it deems appropriate. To qualify for the list, a system must have a cost per pupil served no higher than the cost per pupil served of the most expensive textbook on the textbook multiple list."

Sec. . Subsection (e), Section 12.18, Texas Education Code, is amended to read as follows:

"(e) Information which shall also be printed, stamped, or pasted in each copy of each book filed with the commissioner of education shall be:

"(1) a statement of the price at which the book or special editions are sold in other places under state or county adoptions, and the minimum quantities in which it will be sold at such prices;

"(2) a statement of the publisher's catalogue price of the book or special editions, together with trade discounts and the conditions under which, and the purchasers to whom, such discounts are allowed, and the place of delivery; ~~and~~

"(3) a statement of the minimum wholesale price at which the book or special editions are sold f.o.b. the shipping point of the publisher and the name of the shipping point;

"(4) a statement of the cost per pupil served as calculated according to the specifications contained in Section 12.14 or 12.15 of this code;

"(5) a statement of the number of pupils served and the expected length of use; and

"(6) a warranty certifying the expected length of use."

Sec. . Section 21.911, Texas Education Code, as renumbered, is amended and renumbered to read as follows:

"Sec. 21.915 [21.94]. FINANCIAL SUPPORT FOR INSTRUCTIONAL TELEVISION SERVICES. (a) Any school district of this state classified common, independent school district or rural high school district whose governing board elects to contract for and utilize instructional television programs and services as an integral part of its classroom instruction with noncommercial FCC licensed stations and other nonprofit originating video communication systems to provide programs and instructional television utilization services [to utilize and contract for available educational television programs and services, including transmission services with educational television stations and interconnecting communications common carriers, to enrich its classroom instruction] shall, upon application and pursuant to regulations prescribed by the Central Education Agency, be reimbursed for such costs from state funds to the extent herein authorized. The regulations shall contain provisions whereby the local board of trustees may, at their option, become the prime fiscal agent and contract with noncommercial FCC licensed stations and other nonprofit originating video communication systems in order to permit development of instructional television programs specifically designed to enhance the local district's instructional program.

"(b) The annual cost of such television service programs of the district shall be borne [equally] by the state but [and the participating district eligible therefor on the basis, one half by the state and one half by the district, provided that the state's part of the cost therein] shall not exceed \$1.50 [75 cents] per pupil determined on the Average Daily Attendance (ADA) of the district for the preceding school year.

"(c) The state's [share of the] cost shall be paid from the foundation school fund, and this cost shall be considered by the Foundation School Fund Budget Committee in estimating the funds needed for foundation school program purposes.

"(d) The commissioner of education shall appoint an advisory committee to make recommendations regarding governance, planned needs, criteria for establishing eligibility, and a process for program and fiscal accountability under this section. This advisory committee shall include representation from each instructional FCC licensed television broadcasting service and representation of educational consumers.

"(e) Combined expenditures under this section for each year may not exceed \$1,625,000."

Sec. . The provisions of Sections 25, 26, 27, and 28 of this Act may not affect the selection of textbooks for the 1977-78 school year. For the 1978-79 school year, they may affect the selection of textbooks and other instructional materials only in the subject of reading. The provisions of these sections may be fully implemented beginning with materials selected for the 1979-80 school year.

Sec. . Section 23.994, Texas Education Code, is amended to read as follows:

"Sec. 23.994. USE RESTRICTED. The incentive aid payments shall be used exclusively to retire the existing bonded indebtedness of the school districts which have been consolidated, [or] shall be applied to the cost of constructing new buildings required by the reorganized district, or shall be used for renovation or improvement of existing buildings in the reorganized district."

Sec. . Article 24.01, Title 122A, Taxation—General, Revised Civil Statutes of Texas, 1925, as amended, is amended to read as follows:

"Article 24.01. ENFORCEMENT AND ADMINISTRATION OF FUNDS; ALLOCATION. All revenues collected from the taxes imposed by the Chapters of Title 122A, after deduction of the portion allocated for collection,

enforcement, and administration purposes by various Chapters of such title, shall be allocated as follows:

CHAPTER OR ARTICLE OF THIS TITLE LEVYING THE TAX	PORTION ALLOCATED TO THE <u>FOUNDATION SCHOOL FUND</u> [AVAILABLE SCHOOL FUND]	PORTION ALLOCATED TO THE OMNIBUS TAX CLEARANCE FUND (Established by Acts 1941, 47th Leg., Ch. 184, as amended)	PORTION ALLOCATED TO THE GENERAL REVENUE FUND
[Chapter 2 (Poll Tax)]	[2/3]		[1/3]
Chapter 3 (Natural Gas Tax)	1/4	3/4	
Chapter 4 (Oil Production Tax)	1/4	3/4	
Chapter 5 (Sulphur Tax)	1/4	3/4	
Chapter 6 (Motor Vehicle Sales and Use Tax)	1/4	3/4	
Chapter 7 (Cigarette Tax Article 7.02)	18.75%		81.25%
(Cigarette Tax Article 7.06)	<u>Allocated as provided in Article 7.06, Chapter 7, of this Title.</u>		[All]
Chapter 8 (Tobacco Products Tax)			All
Chapter 9 Motor Fuel (Gasoline)	Allocated as provided in Article 9.25, Chapter 9, of this <u>Title</u> [Act] .		
Chapter 10 (Special Fuels Tax)	Allocated as provided in Article 10.22, Chapter 10, of this <u>Title</u> [Act] .		
Chapter 11 (Miscellaneous Gross Receipts Taxes)	1/4	3/4	

Chapter 12 (Franchise Tax)			All
Chapter 13 (Coin-Operated Machines Tax)	1/4	3/4	
Chapter 14 (Inheritance Tax)			All
Chapter 15 (Additional Inher- itance Tax)			All
[Chapter 16— (Stock Transfer Tax)]	[1/4]	[3/4]	
[Chapter 17— (Store and Exempt Store Tax)]	[1/4]		[3/4]
Chapter 18 (Cement Production Tax)	1/4	3/4	
Chapter 19 (Misc. Occupation Taxes Including Oil Well Servicing)	1/4	3/4	
Chapter 20 (Misc. Excise Taxes)			All
Chapter 21 (Admissions Tax)	1/4	3/4	
[Chapter 22 (Severance Benefi- ciary Tax)]	[1/4]	[3/4]	
Chapter 23 (Hotel Occupancy Tax)			All"

Sec. . Subsection (a), Section 205.02, Alcoholic Beverage Code, is amended to read as follows:

"(a) After allocation of funds to defray administrative expenses as provided in the current departmental appropriations act, receipts from the sale of tax stamps and funds derived from taxes on distilled spirits, wine, beer, and ale and malt liquor shall be deposited in the state treasury as follows:

"(1) one-fourth to the foundation ~~[available]~~ school fund; and

"(2) three-fourths to the clearance fund."

Sec. . Chapter 2, Title 122, Revised Civil Statutes of Texas, 1925, is amended by adding Article 7064b to read as follows:

"Article 7064b. ALLOCATION OF FUNDS. One-fourth of all gross receipts taxes on insurance companies collected under the provisions of Articles 7064, 7064a, and 4769, Revised Civil Statutes of Texas, 1925, as amended, and of Sections 11 and 12 of Article 1.14-1 and Section 12 of Article 1.14-2, Insurance Code, after deduction of that portion provided for enforcement, if any, shall be allocated to the Foundation School Fund, and the balance shall be allocated to the Omnibus Tax Clearance Fund."

Sec. . **LEGISLATIVE COMMISSION ON PUBLIC SCHOOL FINANCE.** (a) There is hereby established the Legislative Commission on Public School Finance to be comprised of nine members. The membership shall include three members of the house of representatives appointed by the speaker, three members of the senate appointed by the lieutenant governor and three citizen members appointed by the governor. The governor shall designate one of the nine members to be chairman of the commission, and commission members shall serve from date of their respective appointments until August 31, 1979. Members of the commission shall serve without compensation, but each shall receive reimbursement for actual travel expense when on official business of the commission.

(b) The commission shall explore and develop a revised method for financing state programs of public school education. Consideration shall be given to varying factors of wealth, inclusive of a taxpayer's "ability to pay," and the pronounced diversity of monetary holdings and investments that exist throughout the state.

(c) In conducting the study, authority is hereby given to the commission to require state agencies and school districts to submit any information deemed relevant to the provisions of this section. The Texas Legislative Council, Central Education Agency, and the Legislative Budget Board and all other state agencies shall cooperate with the commission in the performance of those duties contained in this section.

(d) There is hereby appropriated to the House of Representatives and the Senate of the State of Texas from the General Revenue Fund for the biennium ending August 31, 1979, the sum of \$100,000 each, to carry out the provisions of this section. All expenditures shall be prorated equally between the house and senate.

(e) The commission shall report its findings and recommendations to the governor and members of the 65th Legislature not later than January 1, 1979.

(f) The provisions of this section expire August 31, 1979.

Sec. . (a) Subsections (a) and (b) of Section 20.03, Texas Education Code, as amended by Section 15 of this Act, and Section 16 of this Act, and Subsection (d), Section 16.252, Texas Education Code, as amended by Section 11 of this Act, take effect on the passage of this Act. Subsections (c), (d), (e), and (f) of Section 20.03, Texas Education Code, as amended by Section 15 of this Act, take effect on January 1, 1978. All other sections of this Act take effect on September 1, 1977.

(b) Records and materials compiled by, transferred to, or in the possession of the governor pursuant to Section 10, Chapter 334, Acts of the 64th Legislature, 1975, are transferred to the School Tax Assessment Practices Board to assist it in performing its duties under this Act.

(c) There are hereby appropriated out of the Foundation School Fund, or out of the General Revenue Fund as may be necessary from time to time, additional funds which, together with the appropriations made specifically in House Bill No. 510, Acts of the 65th Legislature, Regular Session, 1977, will be sufficient to carry out the purposes of this Act. The appropriations shall include additional funds for the vocational education, comprehensive special education, statewide visually handicapped, regional school for the deaf, bilingual education, and preschool non-English programs which, together with the sums certain appropriated in House Bill

No. 510 for those purposes, will be sufficient to provide the salary increases authorized by this Act for personnel employed in vocational education, comprehensive special education, statewide visually handicapped, regional schools for the deaf, bilingual education, and preschool non-English programs.

In addition, there is hereby appropriated to the Central Education Agency out of the General Revenue Fund an amount, not to exceed \$3,000,000 in the biennium ending August 31, 1979, sufficient to carry out the purposes of Senate Concurrent Resolution No. 29 and Senate Concurrent Resolution No. 30, Acts of the 65th Legislature, Regular Session, 1977.

There is hereby appropriated to the Central Education Agency out of the Foundation School Fund or the General Revenue Fund an amount not to exceed \$500,000 in the biennium ending August 31, 1979, sufficient funds as may be necessary to finance the purposes of Senate Bill No. 91, 65th Legislature, Regular Session, 1977.

Sec. . If any article, section, sentence, clause, or phrase of this Act is for any reason held to be unconstitutional, such invalid portion shall not affect the validity of the remaining portions of this Act. The legislature hereby declares that it would have passed the valid portions of this Act irrespective of the fact that any one or more portions be declared unconstitutional.

Sec. . Sections 11.062, 16.212 and 16.256, and Subsection (d) of Section 16.207, Texas Education Code, as amended, are repealed.

Sec. . The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect according to its terms.

Amendment No. 2

Amend C.S.S.B. 1, by amending Page 19, line 11 to read as follows:

“(C)(1) Except as provided in Subdivision (3) ~~-(2)-~~ of this

Amendment No. 3

Amend C.S.S.B. 1 by deleting the number “180” on line 9, page 3 and substituting “175” in lieu thereof and by deleting “177” on line 11, page 3, and substituting “175” in lieu thereof.

Explanation: Reduces mandatory school year to 175 days but allows districts to set a longer year at their option. Potential savings to local districts—\$4 million to \$5 million a year. No fiscal impact on the State.

Amendment No. 4

Amend C.S.S.B. No. 1 by striking on page 32, line 1, after the period, the remainder of line 1, all of lines 2 and 3, and up to the word “each” on line 4, and substitute therefore the following:

“The Commissioner shall make a preliminary determination of each district’s share of its guaranteed entitlement under the Foundation School Program for the 1977-1978 and 1978-1979 school years no later than August 15, 1977 and 1978 respectively.”

Amendment No. 5

Amend quoted Section 16.302 of C.S.S.B. 1, by striking lines 23-27, page 34, and lines 1 and 2 on page 35, and substituting the following:

“DAPV ~~[DLFA]~~/ADA for districts offering a full K-12 grade instructional program is the average of the district's full market value of property and agricultural use value of property as determined by the Governor's Office, Education Resources for the 1977-1978 and 1978-1979 school years and thereafter as determined pursuant to Section 11.86 of this code ~~[district's local fund assignment]~~ divided by the number of students in average daily attendance in the district. 'DAPV ~~[DLFA]~~/ADA' for districts where the full K-12 grade instructional program is not offered shall include the average daily attendance of eligible students transferred to other school districts in grades not taught by the resident district.”

Amendment No. 6

Amend C.S.S.B. No. 1 as follows:

4. By deleting all of line 13, page 48, and adding in lieu thereof the following:

“total market value and index value of all property, both real and personal, and both tangible and intangible, in each school”.

Amendment No. 7

Amend C.S.S.B. No. 1 by deleting the word “all” between “of” and “taxable” on line 25, page 46

Amendment No. 8

Amend CSSB 1 as follows:

On page 42, line 2, and on page 47, line 25, delete the word “appraiser” and substitute in lieu thereof the word “administrator”.

Amendment No. 9

Amend CSSB 1, page 36, line 18, by striking “market value” and substituting in lieu thereof “appraised value”.

Amendment No. 10

Amend CSSB 1 as follows:

On page 49, delete lines 4-7 and substitute in lieu thereof “agricultural use value of all land lawfully designated for agricultural use pursuant to Article VIII, Section 1-d of the Texas Constitution, in the year that is the subject of the study.”

Renumber lines accordingly.

Amendment No. 11

Amend C.S.S.B. No. 1 by striking everything between the “,” at the end of line 4, page 49, and the word “In” on line 6, page 49.

Amendment No. 12

Amend C.S.S.B. No. 1 by striking Sections 32, 33, and 34 and renumbering the succeeding sections accordingly.

Amendment No. 13

Amend C.S.S.B. No. 1 by adding Subsection (d) to Section 36 to read as follows:

(d) There is hereby appropriated out of the General Revenue Fund to the Joint Advisory Committee on Educational Services to the Deaf the sum of \$35,904 for the fiscal year ending August 31, 1978 and the sum of \$28,112 for the fiscal year ending August 31, 1979.

Amendment No. 14

Amend CSSB 1, page 37, lines 9-10, by deleting the words “increased values resulting from systematic reappraisal” and placing a period, (.) after the word “year” in line 9.

Also, in lines 12-13 delete the words “and increases resulting from systematic reappraisal” and place a period (.) after the word “improvements” in line 12.

Amendment No. 15

Amend CSSB 1, page 37, lines 9-10, by deleting the words “, and increased values resulting from systematic reappraisal” and placing a period, (.) after the word “year” in line 9.

Also, in lines 12-13 delete the words “and increases resulting from systematic reappraisal,”

The amendments were read.

Senator Mauzy moved that the Senate not concur in the House amendments and that a conference committee be appointed.

Senator McKnight made the substitute motion that the Senate concur in the House amendments.

The substitute motion prevailed by the following vote: Yeas 22, Nays 7.

Yeas: Adams, Aikin, Andujar, Braecklein, Brooks, Creighton, Farabee, Hance, Harris, Jones of Taylor, Kothmann, Lombardino, McKnight, Meier, Moore, Ogg, Parker, Patman, Schwartz, Snelson, Traeger, Williams.

Nays: Clower, Doggett, Jones of Harris, Longoria, Mauzy, Mengden, Truan.

Absent-excused: Santiesteban, Sherman.

SENATE BILLS ON FIRST READING

By unanimous consent, the following bills were introduced, read first time and referred to the Committee indicated.

S.B. 3 by Traeger, Schwartz Economic Development
Relating to participation in the National Flood Insurance Program; amending Section 9, Flood Control and Insurance Act (Article 8280-13, Vernon's Texas Civil Statutes) and Section 16.319, Water Code.

S.B. 7 by Schwartz Finance
Relating to authorizing the Governor to determine the need for a public deepwater port if a private facility is not built; the creation, administration, powers and duties of the Texas Deepwater Port Authority; amending Chapter 12 of the Water Code; amending Section 5 of Article 5415i V.A.T.S. ("Texas Deepwater Port Procedures Act"); preserving Texas' claim to its tidelands and coastline; providing for an appropriation; providing for the repayment of that appropriation; providing for severability; and declaring an emergency.

S.B. 9 by Brooks, Mengden Human Resources
Relating to the regulation of nursing and convalescent homes and to the protection of elderly persons; providing penalties; amending Sections 4, 7, 9, 10, 11, and 12 of, and adding Section 6A to, Chapter 413, Acts of the 53rd Legislature, Regular Session, 1953, as amended (Article 4442c, Vernon's Texas Civil Statutes); amending Title 20A, Revised Civil Statutes of Texas, 1925, as amended by adding Article 695j-2; amending Subsection (b) and adding Subsections (c) and (d) to Section 22.01, Penal Code.

MESSAGE FROM THE HOUSE

House Chamber
July 15, 1977

Honorable William P. Hobby
President of the Senate

Sir: I am directed by the House to inform the Senate that the House has passed the following:

S.B. No. 6, An Act relating to the compensation of the president of West Texas State University.

S.C.R. 5, Granting George Consolidated, Inc. permission to sue the State.

S.C.R. 4, ENCON CORPORATION desires to sue the State of Texas and the Board of Regents of North Texas State University for failure to honor contract.

S.C.R. 8, Laid on table subject to call.

Respectfully submitted,
BETTY MURRAY, Chief Clerk
House of Representatives

MEMORIAL RESOLUTIONS

S.R. 25 - by Doggett: Memorial resolution for Mary Ireland (Miggie) Graves Dougherty.

S.R. 27 - by Doggett: Memorial resolution for Wolf Jessen.

WELCOME AND CONGRATULATORY RESOLUTIONS

S.R. 17 - by Clower: Extending welcome to T. C. and Melba Pouland.

S.R. 18 - by Aikin: Extending welcome to Mrs. Robert Moreton.

S.R. 19 - by Clower: Extending welcome to Hugh Grandstaff and Terry Turner.

S.R. 20 - by Schwartz: Extending welcome to Vincent Uher, and designating as Honorary Page for the day.

S.R. 21 - by Schwartz: Extending welcome to Meredith Uher, and designating as Honorary Page for the day.

S.R. 22 - by Schwartz: Extending welcome to Victor Uher, and designating as Honorary Page for the day.

S.R. 23 - by Jones of Harris: Extending welcome to Laura Brooks, and designating as Honorary Page for the day.

S.R. 24 - by Brooks: Extending welcome to Kelly Batson, and designating as Honorary Page for the day.

S.R. 26 - by Doggett: Extending congratulations to Azie Taylor Morton.

ADJOURNMENT

On motion of Senator Aikin the Senate at 3:30 o'clock p.m. adjourned until 10:30 o'clock a.m. Monday, July 18, 1977.

FOURTH DAY

(Monday, July 18, 1977)

The Senate met at 10:30 o'clock a.m., pursuant to adjournment, and was called to order by the President.

The roll was called and the following Senators were present: Aikin, Andujar, Braecklein, Brooks, Creighton, Doggett, Farabee, Hance, Harris, Jones of Harris, Jones of Taylor, Lombardino, Longoria, McKnight, Meier, Mengden, Ogg, Parker, Patman, Santiesteban, Schwartz, Sherman, Snelson, Traeger, Truan, Williams.